Executive Committee and FULL WDB BOARD OF DIRECTORS' MEETING

July 23, 2026
Thursday

3:00

Executive Committee and FULL WDB BOARD OF DIRECTORS' MEETING

SELACO WDB
10900 E 183rd Street, Suite 350
Cerritos, CA 90703

July 23, 2026
Thursday
3:00 PM – 5:00 PM

Members of the public wishing to address the board must complete and return a public comment speaker card prior to the start of the meeting. Please contact Carol Reyes-Davis at carol.reyes@selaco.com

<u>**AGENDA**</u>

CALL TO ORDER	Wehage	
PLEDGE OF ALLEGIANCE	Wehage	
ROLL CALL	LeGaspi	
2026 – 2027		Page 1
2025 – 2026		3
PUBLIC COMMENTS		
CHAIR'S COMMENTS	Wehage	
EXECUTIVE DIRECTOR'S MESSAGE / UPDATE / STAFF REPORT	Castro	
SNIPPET: SELACO WDB's Designation as a High-Performing Workforce Development Board		
CONSENT CALENDAR	Wehage	
1A. Approval of Minutes		
May 28, 2026		5
June 16, 2026		10
1B. Approval of Fiscal Report 07/01/25–06/30/26		13
1C. Approval of Program Report for 07/01/25–06/30/26		26

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ACTION ITEM (S):

2. Approval of SELACO WDB Budget for Program Year 2026-2027	Castro	49
3. Amendment to SELACO WDB 403(b) Retirement Plan	Castro	57
4. Approval to Execute Leas Agreement for SELACO WDB Offices	Castro	106
5. Executive Director Contract Renewal	Wehage	108
6. Election of Secretary/Treasurer	Castro	111
ONE STOP OPERATOR REPORT	Baquerizo	114

Presentation / Information / Recommendations

ACTION ITEM (S):
NONE

INFORMATION ITEM (S):

INFORMATION ITEM (S):

1. Ethics Training AB1234	Castro	116
2. 2026 Biennial Review Certification	Castro	117
3. Summary and Key Takeaways - June 16, 2026 Joint Board Meeting and Strategic Planning Gathering	Castro	119
INTERESTING CORRESPONDENCE	Castro	
BOARD MEMBER COMMENTS	Wehage	
POLICY BOARD ITEMS/REQUESTS	Wehage	
AGENDA REQUESTS FOR NEXT MEETING	Wehage	
CHAIR'S CLOSE	Wehage	
ADJOURNMENT OF OPEN SESSION	Wehage	

Next Policy Board Meeting: August 18, 2026

Next Executive Committee and FULL WDB Meeting: September 24, 2026

Meetings of the SELACO WDB are accessible to persons with disabilities. The SELACO WDB will provide reasonable accommodations upon request. Requests should be received at least 72 hours prior to the meeting.
Please call (562) 402-9336 to request accommodations.

Materials related to an item on this agenda submitted to the SELACO WDB after distribution of the agenda packet are available for public inspection in the SELACO WDB office at 10900 E. 183rd Street. Suite 350, Cerritos, CA 90703 during normal business hours.

SELACO WDB Board of Directors
Attendance Roster – PY 26/27

Board Member	7/23/26	9/24/26	10/22/26	1/28/27	3/25/27	5/27/27
1. Amansec, Jason Business Representative City of Cerritos						
2. Barrales, Leonard Economic Development						
3. Beech, Jennifer Business Representative City of Bellflower						
4. Burrell, Ashley Rehabilitation Organization						
5. Ceballos, Rene Labor Organization						
6. Crow, Travis Education Entity						
7. Cueva, Sergio Business Representative City of Hawaiian Gardens						
8. Gomez, Belle Education Entity						
9. Kucera, Kevin Labor Organization						
10. LeGaspi, Richard Vice Chair Business Representative City of Norwalk						

Board Member	7/23/26	9/24/26	10/22/26	1/28/27	3/25/27	5/27/27
11. McGehee, Shannon Business Representative City of Paramount						
12. Mendoza, Shaila Labor Organization						
13. Morales, Michael Business Representative City of Cerritos						
14. Nam, Leila Business Representative City of Artesia						
15. Perez, Genoveva Business Representative City of Paramount						
16. Polley, Tracy Business Representative City of Norwalk						
17. Ryder, Tim Business Representative City of Hawaiian Gardens						
18. Segura, Michael Business Representative City of Lakewood						
19. Taylor, Joseph Labor Organization						
20. Uva, Carrie Business Representative City of Downey						
21. Uttecht, Greg Business Representative City of Artesia						
22. Valladares, Cesar Public Employment Service						
23. Vasquez, Salvador Labor Organization						
24. Wehage, Larry Chair Business Representative City of Bellflower						
25. Witt, Eddie Business Representative City of Lakewood						
26. VACANT Business Representative City of Downey						
27. VACANT Labor Organization						

X = PRESENT A = ABSENT AE = ABSENCE EXCUSED SP = SPECIAL MEETING ~ = NOMEETING XV = PRESENT VIRTUAL

SELACO WDB Board of Directors
Attendance Roster – PY 25/26

Board Member	7/24/25	9/25/25	10/23/25	1/22/26	3/26/26	5/28/26	6/16/26
1. Amansec, Jason Business Representative City of Cerritos	Appointed by PB 10/21/25		X	X	XV	XV	AE
2. Barrales, Leonard Economic Development	Appointed by PB 10/21/25			X	X	X	X
3. Beech, Jennifer Business Representative City of Bellflower	X	X	AE	X	X	X	AE
4. Burrell, Ashley Rehabilitation Organization	AE	X	X	AE	X	X	X
5. Ceballos, Rene Labor Organization	Appointed by PB 12/16/25			X	X	A	A
6. Cueva, Sergio Business Representative City of Hawaiian Gardens	X	X	XV	X	X	A	AE
7. Gomez, Belle Education Entity	X	X	X	X	X	X	X
8. Kucera, Kevin Labor Organization	AE	AE	AE	AE	AE	AE	AE
9. LeGaspi, Richard Chair Business Representative City of Norwalk	X	X	X	X	X	X	X
10. McGehee, Shannon Business Representative City of Paramount	A	A	A	A	A	A	A

Board Member	7/24/25	9/25/25	10/23/25	1/22/26	3/26/26	5/28/26	6/16/26
11. Mendoza, Shaila Labor Organization	Appointed by PB 10/21/25			X	X	X	X
12. Nam, Leila Business Representative City of Artesia	AE	AE	X	X	X	A	X
13. Perez, Genoveva Business Representative City of Paramount	X	X	A	X	AE	X	X
14. Polley, Tracy Business Representative City of Norwalk	X	X	X	X	AE	X	AE
15. Rochin, Blanca Education Entity	X	X	X	X	X	X	A
16. Ryder, Tim Business Representative City of Hawaiian Gardens	AE	AE	AE	AE	X	X	X
17. Segura, Michael Business Representative City of Lakewood	AE	X	X	X	X	X	AE
18. Taylor, Joseph Labor Organization	X	X	X	X	AE	X	X
19. Uva, Carrie Business Representative City of Downey	X	X	X	X	X	X	AE
20. Uttecht, Greg Business Representative City of Artesia	A	AE	AE	X	A	A	AE
21. Valladares, Cesar Public Employment Service	Appointed by PB 12/16/25			X	X	X	X
22. Vasquez, Salvador Labor Organization		AE	X	AE	AE	A	X
23. Villarreal, Rudy Secretary/Treasurer Labor Organization	AE	X	X	X	X	X	AE
24. Wehage, Larry Vice Chair Business Representative City of Bellflower	X	X	X	X	X	X	X
25. Witt, Eddie Business Representative City of Lakewood	Appointed by PB 02/17/26				X	X	X
26. VACANT Business Representative City of Downey							
27. VACANT Business Representative City of Cerritos							

X = PRESENT A = ABSENT AE = ABSENCE EXCUSED SP = SPECIAL MEETING ~ = NO MEETING XV = PRESENT VIRTUAL

Executive Committee and FULL WDB Board of Directors' Board Meeting MINUTES

May 28, 2026 **3:00 PM** **SELACO WDB**

CALL TO ORDER

The Executive Committee and FULL WDB Board of Directors' Board Meeting was called to order by Richard LeGaspi at 3:06 p.m.

PLEDGE OF ALLEGIANCE

Larry Wehage led the Pledge of Allegiance.

ROLL CALL

WDB BOARD OF DIRECTORS PRESENT

Amansec, Jason (XV)	Barrales, Leonard
Beech, Jennifer	Burrell, Ashley
Gomez, Belle	LeGaspi, Richard
Mendoza, Shaila	Perez, Genoveva
Polley, Tracy	Rochin, Blanca
Ryder, Tim	Segura, Michael
Taylor, Joseph	Uva, Carrie
Valladares, Cesar	Villarreal, Rudy
Wehage, Larry	Witt, Eddie

WDB BOARD OF DIRECTORS ABSENT

Ceballos, Rene	Cueva, Sergio
McGee, Shannon	Nam, Leila
Uttecht, Greg	Vasquez, Salvador

WDB BOARD OF DIRECTORS EXCUSED

Kucera, Kevin

SELACO WDB STAFF PRESENT

Castro, Yolanda	
Alvarez, Meredith	Cardenas, David
Cardona, Jefferson	Coronel, Corina
Diep, Chau	Ferranti-Lansdown, Tammy
Isabelo, Anna	Lucero, Lillian
Michel, Sandra	

MEMBERS OF THE PUBLIC PRESENT

Crow, Travis – Downey Adult School
Joseph, Jack – Policy Board Administrator
Derthick, Joseph – Past Board Member
Shinder, David – Workforce Consultant
Yatar, Paolo – TSE Participant

PUBLIC COMMENTS

None

WDB CHAIR'S COMMENTS

Comments will be made at the conclusion of the meeting.

EXECUTIVE DIRECTOR'S MESSAGE/UPDATE/STAFF REPORT

WIOA Funding

- Funding allocation has increased by 1%.
- A breakdown of allocations will be presented at the July meeting and full proposed budget in September at the latest.

Joint Board/Policy Board Meeting - Retreat

- June 16th form 9:00 – 3:00 to be held in Paramount.
- Continental breakfast and lunch will be provided.
- Two guest speakers:
    - Adam Peck, Director of California Workforce Association, will cover the State of Workforce from a State and Federal perspective.
    - David Shinder, Workforce Consultant, will share the Federal Report on the Golden Age of Workforce that highlights the five key pillars for workforce and how this aligns with the SELACO WDB Local Plan. David will also address the role as a Workforce Board member.
    - Work groups will be arranged around the Federal defines pillars.
    - There will be discussion on the emerging interest in expanding the SELACO WDB services territory and relocation of the SELACO WDB.

SNIPPETS

- Prior to COVID, it was a practice to have SELACO WDB staff present a 15-minute overview (SNIPPET) of the various services offered.
- Snippets are designed as an educational piece and highlights a success or unique partnership that contributes to success.
- Snippets are part to the Executive Director Report.
- To kick off the reinstatement of the Snippet Initiative, Sandra Michel, SELACO WDB Deputy Director and her team will present on the Employment Training Panel (ETP).

CONSENT CALENDAR

A motion was made by Cesar Valladares to approve the consent calendar as presented, seconded by Rudy Villarreal. With no further discussion, motion carries to approve.

1A. Approval of Minutes: March 26, 2026

1B. Approval of Fiscal Report: 07/01/25 – 04/30/26

1C. Approval of Program Report: 07/01/25 – 04/30/26 (Receive and File)

ACTION ITEM(S)

2. WIOA Youth RFP Results and Contract Recommendations
A motion was made by Larry Wehage to:

- Authorize the Executive Director to negotiate and execute a contract with ABC Unified School District for the enrollment and provision of services to 50 participants in an amount not to exceed $283,300.
- Authorize the Executive Director to negotiate and execute a contract with Hawkeye, Inc. for the enrollment and provision of services to 40 participants in an amount not to exceed $200,000.

Seconded by Blanca Rochin. With no further discussion, motion carries to approve.

3. Single Audit Services RFP Results and Contract Recommendations
A motion was made by Joseph Taylor to:
- Approve and authorize the SELACO WDB Executive Director to award a three-year contract to Moss, Levy & Hartzheim LLP at the initial amount of $28,941.
- Approve and authorize the SELACO WDB Executive Director to execute annual cost increases for the two subsequent years of services as reflected in the proposer's submitted cost proposal and contingent upon satisfactory contract performance review and mutual agreement of both parties.

Seconded by Michael Segura. With no further, motion carries to approve.

4. Youth at Work PY 2026-2027: Anticipated Funding, Providers, and Provider Contract Extension
A motion was made by Tracy Polley to:
- Authorize the Executive Director to accept future funding from DEO for the provision of the Youth at Work program for PY 2026-2027.
- Approve and authorize the Executive Director to allocate funding and issue contract extensions, accordingly, based on program and fiscal performance and contract compliance, to approved agencies to continue to administer the Youth at Work Program under future funding.
- Approve and authorize the Executive Director to award funding to additional provider(s) that submit a statement of qualifications and are deemed an eligible provider of Youth at Work.

Seconded by Jason Amansec. With no further discussion, motion carries to approve.

5. ETPL Local Board Delegation and Contract Extension Approval with the South Bay WIB PY 2026-2028
A motion was made by Larry Wehage to:
- Authorize the Executive Director to execute a two-year contract extension with the South bay WIB for partial ETPL Coordinator duties in an amount not to exceed $10,000.
- Authorize the Executive Director to formally notify the State ETPL Coordinator of SELACO WDB's delegation of partial ETPL responsibilities to the South Bay WIB.

Seconded by Tim Ryder. With no further discussion, motion carries to approve.

6. Approval to Execute Lease Agreement for the SELACO WDB Offices

A motion was made by Michael Segura to:

- Approve the Executive Director to execute a three-year lease extension at a rate of $27,155 per month.
- Approve the Executive Director to execute future lease increases under the three-year extension based on an annual cost-of-living adjustment not to exceed 3%.
- Approve the Executive Director to authorize secondary costs associated with facility upgrades, including moving services and preparatory work related to the improvements.
- Approve the Executive Director to execute a sublease with the Employment Development Department and any other partner housed at the SELACO WDB, subject to the costs, terms and conditions identified in the extended lease.

Seconded by Carrie Uva. With no further discussion, motion carries to approve.

7. Request on Spending Authority for Fiscal Year 2026-2027

A motion was made by Carrie Uva to approve the request on spending authority until the new budget is approved, seconded by Jennifer Beech. With no further discussion, motion carries to approve.

8. **Election of Officers**

A motion was made by Blanca Rochin to accept the nominations:

- Larry Wehage, Chair
- Richard LeGaspi, Vice Chair
- Rudy Villarreal, Secretary/Treasurer
- Joseph Taylor and Genoveva Perea – Members at Large

With no further nominations, seconded by Tim Ryder. With no further discussion, motion carries to approve. Abstained -Richard LeGaspi, Genoveva Perez, Joseph Taylor, Rudy Villarreal, Larry Wehage

ONE STOP OPERATOR REPORT

David Shinder, Workforce Consultant, provided a One Stop Operator Report update to the full board on behalf of David Baquerizo, One Stop Operator.

INFORMATION ITEM (S)

1. Ethics Training AB1234

Page 60 of the agenda provides an updated list of board members who completed the mandatory ethics training. All board members must complete a two-hour training course. Please contact Carol for a direct link to the online course or for any questions.

2. CDE Program Lease Updates and Amendments

Page 61 of the agenda provides an update on the California Department of Education (CDE) program and associated facility leases.

The Board has received and filed this item.

3. Submission of Educational Opportunity Center (EOC) Grant Application

Pag 63 of the agenda provides details regarding the submission of the Educational Opportunity Center (EOC) Grant Application.

The Board has received and filed this item.

4. L. A. County Economic Summary 2025 – 4th Quarter

Page 65 of the agenda provides information on the 4th quarter 2025 economic summary for the L.A. County.

5. Approval of Local Area Subsequent Designation and Local Board Recertification for Program Year 2025 and 2026

Page 67 of the agenda is a letter from the California Workforce Development Board acknowledging that the SELACO WDB application for Local Area Subsequent Designation and Local Board Recertification has been approved through June 20, 2027.

6. WIOA Section 188:
Nondiscrimination and Equal Opportunity Provisions
Annual Compliance Monitoring Review
Final Report Program year 2025-2026

Page 69 of the agenda is a letter from the Employment Development Department notifying the SELACO WDB that the agency has met applicable WIOA Section 188 requirements concerning nondiscrimination and equal opportunity provisions.

INTERESTING CORRESPONDENCE

None

BOARD MEMBER COMMENTS

None.

POLICY BOARD ITEMS/REQUESTS

None

AGENDA REQUESTS FOR NEXT MEETING

None

CHAIR'S CLOSE

A presentation of flowers, a gift, and a certificate was made to Blanca Rochin in recognition of her retirement, as this was her final meeting prior to retiring.

ADJOURNMENT OF OPEN SESSION

The meeting was adjournment at 4:43 PM

WORKFORCE DEVELOPMENT BOARD OF THE SOUTHEAST LOS ANGELES COUNTY, INC.

Joint Executive Committee and FULL WDB Board of Directors' and Policy Board Meeting MINUTES

June 16, 2026 **9:00 a.m.** **Progress Plaza**
15500 Downey Avenue
Paramount, CA 90723

CALL TO ORDER
The Joint Executive Committee and FULL WDB Board of Directors' and Policy Board Meeting was called to order by Larry Wehage, WDB Vice Chair and Jeff Wood, Policy Board Chair at 9:11 a.m.

PLEDGE OF ALLEGIANCE
Isabel Aguayo, Policy Board Member representing the City of Paramount, led the pledge of allegiance.

ROLL CALL

WDB BOARD DIRECTORS PRESENT

Barrales, Leonard	Burrell, Ashley
Gomez, Belle	LeGaspi, Richard
Mendoza, Shaila	Nam, Leila
Perez, Genoveva	Ryder, Tim
Taylor, Joseph	Valladares, Cesar
Wehage, Larry	Witt, Eddie

WDB BOARD DIRECTORS ABSENT

Ceballos, Rene	McGehee, Shannon
Rochin, Blanca	

WDB BOARD DIRECTORS EXCUSED

Amansec, Jason	Beech, Jennifer
Cueva, Sergio	Kucera, Kevin
Polley, Tracy	Segura, Michael
Uva, Carrie	Uttecht, Greg
Vasquez, Salvador	Villarreal, Rudy

POLICY BOARD MEMBERS PRESENT

Jeff Wood – Lakewood, Chair
Sonny Santa Ines – Bellflower, Vice Chair
Rene Trevino – Artesia
Lynda Johnson – Cerritos
Tony Ayala – Norwalk
Isabel Aguayo - Paramount

POLICY BOARD DIRECTORS ABSENT

Hector Sosa--Downey
Dandy De Paula – Hawaiian Gardens

SELACO WDB STAFF PRESENT:

Alvarez, Meredith	Arredondon, Brian
Cardona, Jefferson	Castro, Yolanda
Coronel, Corina	Davis, Carol
Diep, Chau	Ferranti-Lansdown, Tammy
Galvan-Padilla, Renee	Godina, Frances
Gutierrez, Jeanette	Isabelo, Anna
Lucero, Lillian	Michel, Sandra
Nieto, Genaro	Salcedo, Mirna

MEMBERS OF THE PUBLIC PRESENT:

Jesse, Flores – California Workforce Development Board (CWDB) Field Specialist
Glatt, Stephen – SELACO WDB Program Participant
Peck, Adam – California Workforce Association - Executive Director
Shinder, David – Workforce Consultant
Yatar, Paolo – SELACO WDB Program Participant

PUBLIC COMMENTS

None

POLICY BOARD CHAIR'S COMMENTS

Policy Board Chair Jeff Wood welcomed everyone to the meeting and thanked the City of Paramount for hosting.

WDB CHAIR'S COMMENTS

WDB Vice Chair Larry Wehage said he also welcomed everyone to today's meeting and looked forward to the day's planning session.

EXECUTIVE DIRECTOR'S MESSAGE/UPDATE/STAFF REPORT

SELACO WDB Executive Director Yolanda Castro reported that for the third year in a row SELACO WDB had met all its performance goals and was the top-rated workforce development board in Los Angeles County. She said SELACO WDB had applied to the State for High Performing Board status and was approved as such for the period of 2026-29. She referred everyone to the booklet that staff had put together introducing SELACO WDB and thanked Paolo Yatar for his work in coordinating this effort.

Ms. Castro introduced Stephen Glatt, a recent SELACO WDB participant success story, who gave a video presentation which highlighted his story of being laid off from the tech industry and how, through SELACO WDB and his case manager, he learned a new trade, and was able to secure employment as an AI Video Creative Strategist for Rio Picanha Brazilian Steakhouse.

Policy Board Chair Wood presented a plaque to Mr. Glatt, recognizing his success as a SELACO WDB client.

APPROVAL OF CONSENT CALENDAR FOR POLICY BOARD

Approval of Minutes: April 21, 2026

WDB Attendance Roster

Program Report for 07/01/25-04/30/26

It was moved by Policy Board Member Trevino, seconded by Policy Board Member Johnson, to approve the consent calendar. The motion was approved unanimously.

APPROVAL OF CONSENT CALENDAR FOR WDB BOARD

The minutes of the May 28, 2026, WDB Board meeting will be available at the next regular scheduled meeting to take place on July 23, 2026.

POLICY BOARD BUSINESS SESSION

Consideration of Annual Appointments to the Workforce Development Board

It was moved by Policy Board Member Trevino, seconded by Policy Board Member Johnson, to approve the appointments of the following Workforce Development Board members to new two-year terms expiring June 30, 2028:

Bellflower Private Sector—Larry Wehage
Cerritos Private Sector—Jason Amansec
Lakewood Private Sector—Michael Segura
Norwalk Private Sector—Tracy Polley
Economic Development Organization—Leonard Barrales
Educational Entity—Bellegran Gomez
Rehabilitation Agency—Ashley Burrell
Labor Organization—Joseph Taylor
Labor Organization—Kevin Kucera

The motion was approved unanimously.

It was moved by Vice Chair Santa Ines, seconded by Policy Board Member Trevino, to appoint Travis Crow to fill the remaining term ending June 30, 2027, of the vacancy for a representative from an Educational Entity due to the retirement of Blanca Rochin. The motion was approved unanimously.

BOARD MEMBER COMMENTS

None

ADJOURNMENT OF POLICY BOARD AND WDB MEETINGS

The meeting was adjourned at 9:44 a.m.

SELACO WDB

Statement of Activities (by Fund)

From 7/1/2025 through 6/30/2026

*** Preliminary ***

	Employment Training Panel Grant	LA County Grants	Pre-School Grant	WIOA Adult&DW & Special Projects	WIOA Youth Grant	Rapid Response / Lay-Off Aversion Grants	Other Grants	Non-WIOA Training Expenditures	Total
Revenues / (Deferred Revenues)	474,261	367,174	5,180,736	2,310,059	1,816,615	175,972	976,368	317,596	11,618,780
Accounts Receivable	0	68,968	681,489	650,002	346,786	23,736	106,050	0	1,877,031
Total Revenues	474,261	436,142	5,862,224	2,960,061	2,163,401	199,708	1,082,418	317,596	13,495,811
Expenditures									
Administration Services	15,541	40,651	480,184	279,034	158,482	17,421	69,529	0	1,060,842
Contracted Program Costs	14,220	334,633	5,382,040	41,108	415,212	0	211,257	0	6,398,471
Support Services	0	123	0	38,818	22,377	0	11,672	0	72,990
Vendor Training	314,137	0	0	670,513	25,731	0	131,874	317,596	1,459,850
Work Exp/Skillz Menu/Supplies	0	49,132	0	126,908	155,615	0	51,503	0	383,158
WIOA Core/Basic Career Services	0	0	0	687,845	524,439	0	0	0	1,212,284
WIOA Intensive/Individualized Career Svcs	0	0	0	605,635	0	0	0	0	605,635
WIOA Follow-Up Career Services	0	0	0	168,956	18,843	0	294	0	188,093
WIOA Business Services	0	0	0	341,244	258,790	0	0	0	600,035
Other Program Costs	118,168	11,604	0	0	583,912	182,287	606,288	0	1,502,259
Cash Expenditures	462,066	436,142	5,862,224	2,960,061	2,163,401	199,708	1,082,418	317,596	13,483,616
. Accrued Expenditures	-	-	-	-	-	-	-	0	-
Total Expenditures	462,066	436,142	5,862,224	2,960,061	2,163,401	199,708	1,082,418	317,596	13,483,616
Net Income (Loss)	12,195	-	-	-	-	-	-	-	12,195

SELACO WDB

Statement of Functional Expenditures

From 7/1/2025 through 6/30/2026

*** Preliminary ***

	Administrative Services	Contracted Program Cost	Support Services	Vendor Training	Work Exp / Skills Menu Program	WIOA Core / Basic Career Services	WIOA Intensive / Individualized Career Services	WIOA Follow-Up Career Services	WIOA Business Services	Other Program Costs	Total
Expenditures											
Personnel	731,732	0	0	0	0	995,576	496,796	134,960	488,524	1,202,646.77	4,050,233
Non-Personnel	203,701	0	0	0	0	216,708	108,839	53,133	111,511	299,612	993,505
Training	125,409	6,398,471	0	1,459,850	383,158	0	0	0	0	0	8,366,888
Support Services	0	0	72,990	0	0	0	0	0	0	0	72,990
Total Expenditures	1,060,842	6,398,471	72,990	1,459,850	383,158	1,212,284	605,635	188,093	600,035	1,502,259	13,483,616

SELACO WDB

Statement of Functional Expenses - TR - 0201 Administrative Services

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Personnel		
Salaries & Wages	50100	542,937
Social Security Tax	50200	33,330
Medicare Tax	50210	7,795
Workers Comp - Staff	50220	2,676
UI & ETT Taxes	50250	2,794
Other Payroll Expenses	50251	231
Other Payroll Adjustments	50255	(204)
Employee Benefits	50300	116,305
Employer 403(B) Contributions	50403	25,868
Total Personnel		731,732
Non-Personnel		
Mileage	51100	227
Conferences/Staff Development	51200	9,328
Meeting Expenses	51230	2,256
Rent	52100	43,037
Telephone	52200	1,991
Furniture/Fixtures	52300	540
Office Equipment	52330	4,399
Leased Equipment	52350	5,794
Repair & Maintenance	52360	640
Outreach/Recruitment	53300	828
Office Supplies	53400	10,676
Subscriptions/Dues/Memberships	53600	33,567
Insurance	53900	7,847
Professional Services	54100	53,315
Legal	54300	26,643
Bank Charges/Miscellaneous	59990	2,613
Total Non-Personnel		203,701
Training		
Cost Reimbursement Billing	60300	125,409
Total Training		125,409
Total Expenditures		1,060,842

SELACO WDB

Statement of Functional Expenses - TR - 0202 Contracted Program Cost

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Training		
Cost Reimbursement Billing	60300	5,953,697
Other Contracted Services	60400	290,733
Day Care Rent	66000	154,041
Total Training		6,398,471
Total Expenditures		6,398,471

SELACO WDB

Statement of Functional Expenses - TR - 0203 Supportive Services

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Support Services		
Direct Support Payment	65200	48,630
Supportive Services - Training	65201	24,360
Total Support Services		72,990
Total Expenditures		72,990

SELACO WDB

Statement of Functional Expenses - TR - 0204 Vendor Training Payments

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Training		
Vendor Training	60100	618,118
Incumber Worker Training	60101	210,000
Vendor Training - ETP	60200	314,137
Non-WIOA Training Expenditures		317,596
Total Expenditures		1,459,850

SELACO WDB

Statement of Functional Expenses - TR - 0205 Work Experience / Skillz Menu Program

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Training		
Wages - WE/Internship	60500	335,223
SS Tax - WE/Internship	60510	20,905
MC Tax - WE/Internship	60520	4,889
WC - WE/Internship	60530	8,747
Participant Incentive Payments	65401	13,394
Total Training		383,158
Total Expenditures		383,158

SELACO WDB

Statement of Functional Expenses - TR - 0206 WIOA Career Services

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Core / Basic Services	Intensive / Individualized Services	Follow-Up Services	Total
Expenditures					
Personnel					
Salaries & Wages	50100	753,093	377,576	99,364	1,230,034
Social Security Tax	50200	46,951	22,865	6,202	76,018
Medicare Tax	50210	10,981	5,348	1,450	17,779
Workers Comp - Staff	50220	4,373	2,216	578	7,167
UI & ETT Taxes	50250	6,230	2,548	695	9,473
Other Payroll Expenses	50251	1	1	0	1
Employee Benefits	50300	149,014	73,240	23,843	246,097
Employer 403(B) Contributions	50403	24,933	13,003	2,827	40,763
Total Personnel		995,576	496,796	134,960	1,627,331
Non-Personnel					
Mileage	51100	1,117	967	20	2,104
Conferences/Staff Development	51200	36,682	21,828	2,219	60,729
Meeting Expenses	51230	1,293	1,041	198	2,532
Rent	52100	78,212	41,363	10,009	129,583
Telephone	52200	5,105	1,871	468	7,444
Furniture/Fixtures	52300	1,135	334	253	1,722
Office Equipment	52330	3,810	4,148	484	8,443
Leased Equipment	52350	18,822	2,408	695	21,924
Repair & Maintenance	52360	2,066	746	159	2,971
Outreach/Recruitment	53300	1,687	128	55	1,870
Office Supplies	53400	22,008	8,846	2,241	33,095
Subscriptions/Dues/Memberships	53600	18,015	10,891	2,074	30,979
Insurance	53900	14,631	7,347	1,667	23,645
Professional Services	54100	12,126	6,922	32,592	51,640
Total Non-Personnel		216,708	108,839	53,133	378,680
Total Expenditures		1,212,284	605,635	188,093	2,006,012

SELACO WDB

Statement of Functional Expenses - TR - 0207 Business Services

From 7/1/2025 Through 6/30/2026

(In Whole Numbers)

		Total
Expenditures		
Personnel		
Salaries & Wages	50100	379,472
Social Security Tax	50200	23,116
Medicare Tax	50210	5,406
Workers Comp - Staff	50220	2,152
UI & ETT Taxes	50250	2,202
Other Payroll Expenses	50251	0
Employee Benefits	50300	64,581
Employer 403(B) Contributions	50403	11,595
Total Personnel		488,524
Non-Personnel		
Mileage	51100	2,951
Conferences/Staff Development	51200	21,581
Meeting Expenses	51230	2,191
Rent	52100	30,288
Telephone	52200	1,437
Furniture/Fixtures	52300	410
Office Equipment	52330	3,834
Leased Equipment	52350	2,381
Repair & Maintenance	52360	614
Outreach/Recruitment	53300	7,829
Office Supplies	53400	7,671
Subscriptions/Dues/Memberships	53600	15,356
Insurance	53900	5,355
Professional Services	54100	9,613
Total Non-Personnel		111,511
Total Expenditures		600,035

SELACO WDB

Statement of Functional Expenses - TR - 0212 Other Program Costs

From 7/1/2025 through 6/30/2026

***** Preliminary *****

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	Employment Training Panel	WIOA Youth	WIOA Rapid Response / Lay-Off Aversion	Transitional Subsidized Employmen t (TSE)	Other Funds	Total
Personnel						
Salaries & Wages	82,194	368,712	125,587	3,406	354,642	934,540
Payroll Taxes/WC	7,317	32,272	11,453	309	33,171	84,522
Employee Benefits	10,463	72,677	21,477	891	78,076	183,584
Total Personnel	99,974	473,660	158,516	4,606	465,890	1,202,647
Non - Personnel						
Mileage	554	1,375	29	321	1,612	3,891
Conferences/Staff Developmen	469	23,517	4,109	102	2,496	30,693
Meeting Expenses	83	1,536	259	0	280	2,159
Rent/Utilities	6,674	32,574	9,932	272	117,616	167,069
Telephone	314	1,402	426	13	5,983	8,137
Furniture/Equipment	331	11,439	1,076	14	839	13,700
Repair & Maintenance	214	734	357	4	773	2,082
Outreach/Recruitment	473	1,520	0	0	1,230	3,223
Supplies	1,771	7,359	2,054	36	5,453	16,673
Subcriptions & Dues	2,478	11,362	2,477	69	4,254	20,641
Insurance	1,076	5,041	1,287	111	3,673	11,187
Consulting	3,756	12,391	1,764	16	2,229	20,157
Total Non-Personnel	18,193	110,251	23,771	958	146,439	299,612
Total Expenditures	118,168	583,912	182,287	5,564	612,329	1,502,259

SELACO WDB

Statement of Functional Expenditures

From 7/1/2025 through 6/30/2026

***** Preliminary *****

Line Item Description	Current Period Actual	Approved Budget	Budget Variance	Total Budget Remaining (%)
PERSONNEL COSTS				
Salaries/Wages	3,086,983	3,140,023	53,040	1.7%
Payroll Taxes/WC	274,458	286,981	12,524	4.4%
Employee Benefits	688,793	677,988	(10,805)	-1.6%
TOTAL PERSONNEL COSTS	**4,050,233**	**4,104,993**	**54,759**	**1.3%**
NON-PERSONNEL COSTS				
Mileage	9,173	10,000	827	8.3%
Conference/Staff Development	122,333	188,000	65,667	34.9%
Meeting Expenses	9,137	15,000	5,863	39.1%
Rent/Utilities	369,978	407,853	37,876	9.3%
Telephone	19,009	22,500	3,491	15.5%
Furniture & Equipment	63,146	67,500	4,354	6.5%
Repair & Maintenance	6,307	17,000	10,693	62.9%
Outreach/Recruitment	13,749	30,000	16,251	54.2%
Supplies	68,114	55,000	(13,114)	-23.8%
Subscriptions/Dues/Memberships	100,544	99,500	(1,044)	-1.0%
Insurance	48,034	48,034	0	0.0%
Professional Fees	134,725	152,500	17,775	11.7%
Legal Fees	26,643	25,000	(1,643)	-6.6%
Interest Expense/Miscellaneous	2,613	3,000	387	12.9%
TOTAL NON-PERSONNEL COSTS	**993,505**	**1,140,888**	**147,383**	**12.9%**
TOTAL IN-HOUSE COSTS	**5,043,738**	**5,245,880**	**202,142**	**3.9%**
TRAINING & SUPPORT SERVICES				
Vendor Training Payments (Classroom/OJT/IWT)				
Employment Training Panel (ETP)	314,137	287,085	(27,053)	-9.4%
Hired LA Program	127,066	127,376	310	0.2%
Regional Equity and Recoverty Partnership (R	4,808	4,808	0	0.0%
WIOA Adult	586,480	642,306	55,826	8.7%
WIOA Dislocated Workers	84,034	81,540	(2,494)	-3.1%
WIOA Youth	25,731	85,568	59,837	69.9%
Non-WIOA Training Expenditures	317,596	326,727	9,131	2.8%
Subtotal	1,459,850	1,555,409	95,558	6.1%

Line Item Description	Current Period Actual	Approved Budget	Budget Variance	Total Budget Remaining (%)
Cost Reimbursements / Contracted Services				
Day Care Pre-School / Special Grants	5,507,449	5,532,587	25,138	0.5%
Disability Access, Equity & Inclusion (DAEI)	130,572	183,857	53,285	29.0%
Employment Training Panel (ETP)	4,420	30,000	25,580	85.3%
ETP/WIOA Business Engagement Services	19,600	20,000	400	2.0%
Hired LA Program	58,467	58,467	0	0.0%
LA County - Youth @ Work	334,633	429,164	94,531	22.0%
Regional Equity and Recovery Partnership (RI	9,000	11,500	2,500	21.7%
WIOA ETPL Delegation Services	4,957	5,000	43	0.9%
WIOA Youth	391,065	703,361	312,296	44.4%
WIOA One-Stop Operator	9,000	25,000	16,000	64.0%
WIOA Security Guard	54,717	60,000	5,283	8.8%
Subtotal	6,523,880	7,058,936	535,056	7.6%
Work Experience / Skillz Menu Program				
Disability Access, Equity & Inclusion (DAEI)	28,318	90,000	61,682	68.5%
Hired LA Program	18,382	20,598	2,216	10.8%
LA County - Youth @ Work	49,132	52,364	3,232	6.2%
Regional Equity and Recovery Partnership (RI	4,803	6,501	1,698	26.1%
WIOA Adult	126,908	126,294	(614)	-0.5%
WIOA Youth	155,615	256,331	100,716	39.3%
Subtotal	383,158	552,088	168,930	30.6%
Training Supplies				
WIOA Adult	0	6,500	6,500	100.0%
WIOA Dislocated Workers	0	500	500	100.0%
WIOA Youth	0	5,000	5,000	100.0%
Subtotal	0	12,000	12,000	100.0%
Direct Support Payments				
Gateway Cities' Homeless Employment Prg	4,866	11,299	6,433	56.9%
Gateway Cities' AOFY Employment Prg	0	5,000	5,000	0.0%
LA County - Youth @ Work	123	1,420	1,297	91.4%
Hired LA Program	6,806	6,806	0	0.0%
WIOA Adult	33,799	50,000	16,201	32.4%
WIOA Dislocated Workers	5,019	15,000	9,981	66.5%
WIOA Youth	22,377	25,000	2,623	10.5%
Subtotal	72,990	114,525	41,535	36.3%
TOTAL TRAINING & SUPPORT SVCS	**8,439,878**	**9,292,957**	**853,079**	**9.2%**
GRAND TOTAL	**13,483,616**	**14,538,837**	**1,055,221**	**7.3%**

SELACO WDB
Balance Sheet
6/30/2026

*** Preliminary ***

	Employment Training Panel (ETP)	Preschool & Facilities Revolving Funds	Transitional Subsidized Employment (TSE)	WIOA Adult	WIOA Dislocated Workers	WIOA Youth	WIOA Rapid Response / LOA	Other Grants	General Funds	Pools	Total
Assets											
Cash & Cash Equivalents	153,624	7,191,242	21,985	(24,720)	(60,650)	(683,106)	(19,735)	(8,047)	274,055	238,489	7,083,137
Petty Cash	0	0	0	0	0	0	0	0	0	5,000	5,000
Accounts Receivable	183,368	0	5,400	11,882	0	0	0	118,146	0	0	318,795
Deposit	0	9,100	0	0	0	0	0	0	0	20,238	29,338
. Due from Other Fund	0	0	0	0	0	0	0	0	253,888		253,888
Fixed Assets	0	1,005,713	0	0	0	0	0	0	0	0	1,005,713
Accumulated Depreciation	0	(1,005,713)	0	0	0	0	0	0	0	0	(1,005,713)
Total Assets	336,992	7,200,342	27,385	(12,839)	(60,650)	(683,106)	(19,735)	110,099	527,943	263,727	7,690,159
Liabilities and Net Assets											
Liabilities											
Accounts Payable	295,448	2,193	0	1,049	13,091	103,844	13	58,989	13	800	475,442
Accrued Expenses	1,738	11,853	346	0	9,697	97,882	3,988	9,529	0	130,988	266,021
Due to Companies (ETP)	0	0	0	0	0	0	0	0	0	0	0
Due to Department of Education	0	774,775	0	0	0	0	0	0	0	0	774,775
Due to EDD	0	0	0	0	0	0	0	0	0	29,115	29,115
Due to ETP	0	0	0	0	0	0	0	0	0	0	0
Due to Toastmasters Intl	0	0	0	0	0	0	0	0	0	0	0
Due to CSS	0	0	0	0	0	0	0	0	0	0	0
Due to Vendors (ETP)	0	0	0	0	0	0	0	(400)	0	0	(400)
Due to Other Fund	0	0	20	22,995	0	0	0	217,553	0	13,320	253,888
Payroll Clearing	0	0	0	0	0	0	0	0	0	90,302	90,302
Revenues Received in Advance	180,061	7,074,989	14,370	0	0	0	0	1,692	0	0	7,271,111
Suspended Account	0	0	0	0	0	0	0	0	0	0	0
Total Liabilities	477,247	7,863,810	14,735	24,045	22,789	201,726	4,002	287,363	0	264,526	9,160,241
Net Assets											
Current YTD Net Income	(146,080)	(681,489)	(31,339)	(36,883)	(83,438)	(884,831)	(23,736)	(179,293)	22,993	(800)	(2,044,897)
Unrestricted	5,825	18,021	43,989	0	0	0	0	2,029	504,950	0	574,814
Total Net Assets	(140,255)	(663,468)	12,650	(36,883)	(83,438)	(884,831)	(23,736)	(177,264)	527,943	(800)	(1,470,083)
Total Liabilities and Net Assets	336,992	7,200,342	27,385	(12,839)	(60,650)	(683,106)	(19,735)	110,099	527,943	263,727	7,690,159

Operations Report

10TH REPORT OF PY 2025 –2026

JULY 1, 2025 – JUNE 30, 2026

TABLE OF CONTENTS

PURPOSE

The Southeast Los Angeles County Workforce Development Board (SELACO WDB) respectfully submits the twelfth Program Operations Report for the program year 2025-2026. This report reflects the various grants and services offered to our local job seekers and employers. This report includes information on America's Job Center of California Activity, Adult Programs, Youth Programs, Employer Services, Special and Regional Programs. The report will reflect performance and activity requirements of our funding entities.

SPOTLIGHT

SELACO WDB Joint Policy Board & Board of Directors Strategic Planning Retreat

Last month, the SELACO WDB Joint Policy Board and Executive Committee and FULL WDB Board of Directors' Meeting and Strategic Planning Gathering brought together board members, leadership, and partners for a day of reflection, learning, and strategic planning. Held on June 16, 2026, the retreat provided an opportunity to review organizational priorities, strengthen board engagement, and align around SELACO WDB's vision for the future.

A key focus of the retreat was revisiting the organization's **Five Pillars**, which serve as the foundation for advancing workforce development, fostering partnerships, improving service delivery, driving innovation, and ensuring long-term sustainability. Through collaborative discussion and strategic exercises, participants explored how these pillars continue to guide SELACO WDB's work and support positive outcomes for job seekers, employers, and the communities we serve.

The retreat also featured insightful presentations from guest speakers **Adam Peck** and **David Shinder**, who shared their expertise and perspectives on leadership, organizational strategy, and the evolving workforce landscape. Their presentations encouraged attendees to think creatively about future opportunities, embrace innovation, and remain responsive to the changing needs of businesses and job seekers.

The retreat reinforced the value of bringing together board members and staff in a collaborative setting to reflect on accomplishments, identify emerging opportunities, and strengthen SELACO WDB's collective commitment to serving the region with excellence and impact.

IN-THE-KNOW WITH SELACO

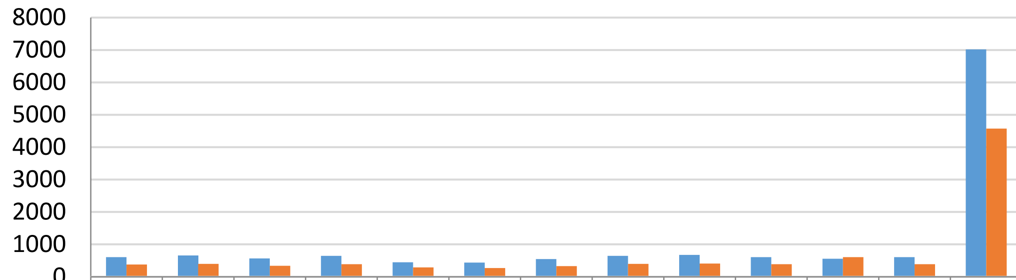
"In-the-Know with SELACO" is the name of the SELACO WDB Constant Contact company newsletter. Our newsletter is published quarterly and features articles highlighting recent activities and events including board and community engagement, special programs and success stories. Constant Contact also allows SELACO to deliver mass emails to multiple groups all at the same time without affecting the company server. We use Constant Contact to promote job recruitments and announcements for events such as The Collaborative Community Network meetings and Disability Awareness Training as well as in-house to inform staff. The following link provides you access to our most recent publication of "In-the-Know with SELACO": In the Know with SELACO

AMERICA'S JOB CENTER OF CALIFORNIA (AJCC) OVERVIEW

CAREER SERVICES

Program Year 2025 – 2026

Customer Visits to AJCC

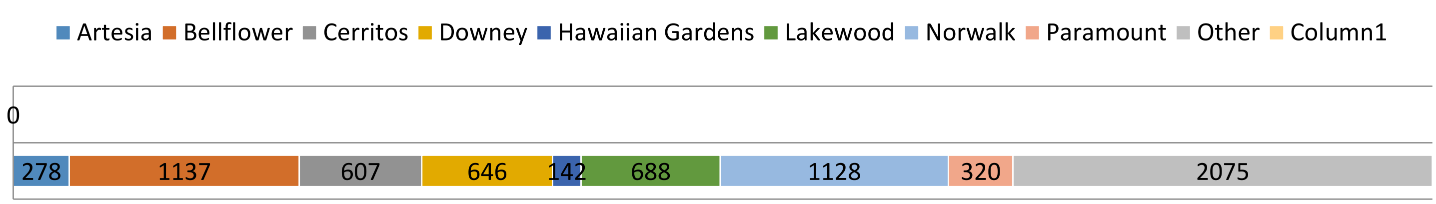


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Year-to-Date
Total Visits	606	650	568	651	452	441	548	652	681	608	559	605	7021
Distinct Customers	377	398	340	393	287	268	327	401	406	388	605	387	4577

Program Year 2024 – 2025

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Year-to-Date
Total Visits	750	589	570	635	543	511	668	584	616	728	693	558	7445
Distinct customers	490	397	367	398	345	349	428	384	373	453	424	370	5778

Customer Visits by City



ADULT JOB SEEKER PROGRAMS

EVENTS

JOB SEEKER EVENTS	DESCRIPTION
Virtual Job Club	Partnered with Microsoft to host a LinkedIn presentation
Virtual Youth Workshops	Virtual workshops for youth focused on job readiness, job preparation, interview skills, and resume building
Reemployment Services and Eligibility Assessment (RESEA)	EDD host a workshop to Review of job search activity and sharing of resource information.
Job Interview Preparation and Practice Workshop	It is the interview that lands the job offer, NOT the résumé. Ease those Job Interview jitters with preparation and practice.
Be a Super Star Employee Workshop	This workshop offers an opportunity to learn how to become the employee that you would be proud to be.
Career Academy for Targeted Sectors (CATS)	Virtual bootcamp for young adults, allowing them the opportunity to establish a career pathway.
BUSINESS & EMPLOYER EVENTS	**DESCRIPTION**
Cerritos College Child Development Center	Groundbreaking – June 3, 2026
Sofy's Beauty Salon	Ribbon Cutting - June 4, 2026
Mr. Rosewood Family Restaurant	Ribbon Cutting & 10th Anniversary – June 4, 2026
Coffie at the Chamber	Networking Event – June 9, 2026
OUTREACH EVENTS	**DESCRIPTION**
Paramount Chamber	Outreach – June 2, 2026
Paramount Adult School	Outreach – June 23, 2026

WIOA ADULT

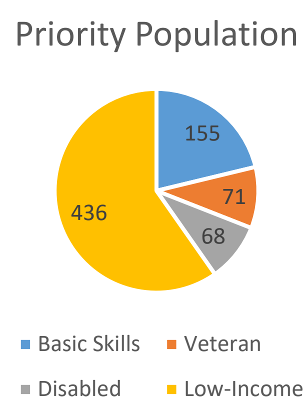
To prepare workers -- particularly individuals with barriers to employment – searching for good jobs by providing job search assistance and training. The Adult Program provides an emphasis on serving public assistance recipients, other low-income individuals, and individuals who are low-skilled.

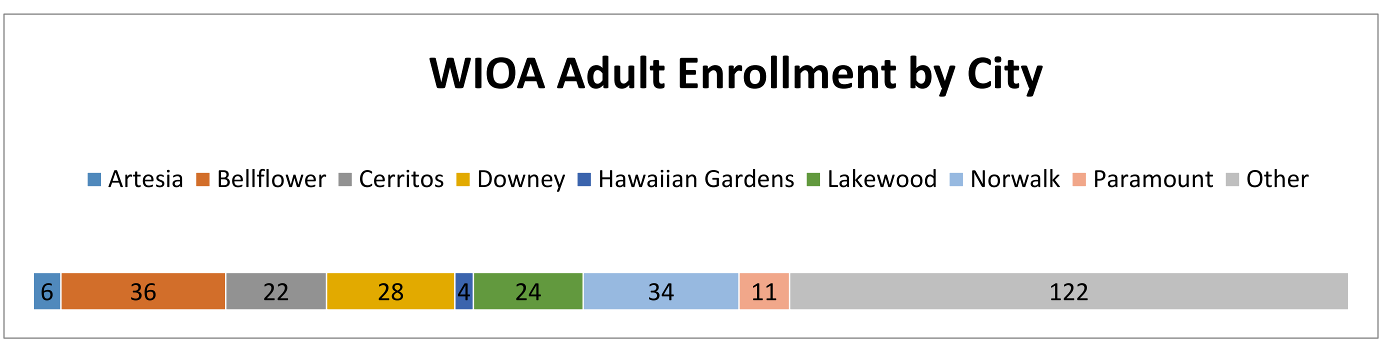
WIOA PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Negotiated PY 25/26	Q1 PY 25/26	Q2 PY 25/26	Q3 PY 25/26	Q4 PY 25/26
Employed 2nd Quarter after Exit	67.5%	71.8%	36.4%	59.71%	71.70%
Employed 4th Quarter after Exit	65.5%	62.9%	40.2%	58.49%	65.70%
Median Earnings	$7,622	$8,736.47	$11,180.00	$11,021.00	$10,103.00
Credential Rate	66.0%	82.6%	84.6%	86.25%	86.25%
Measurable Skill Gain (MSG)	73.0%	61.4%	77.6%	83.91%	80.35%

Performance numbers are reflective of the predictive report

Activity Breakdown	
Carryovers PY24-25	186
New Enrollments	287
Total Participants	473
Exits	265
Employed at Closure	103
Program Services	
Occupational Skills Training	51
On the Job Training	8
Transitional Jobs	34
Supportive Services	239
Follow-up Services	105





WIOA DISLOCATED WORKER (DW)

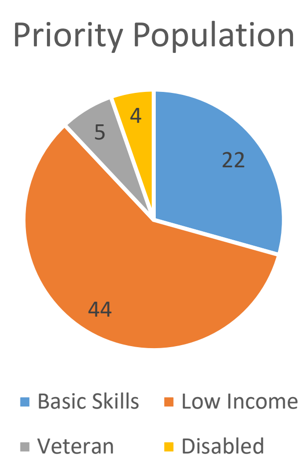
To prepare workers -- particularly individuals recently separated from employment – searching for good jobs by providing job search assistance and training. The Dislocated Worker Program provides an emphasis on serving transitioning veterans, homemakers, recently unemployed, and struggling independent business owners.

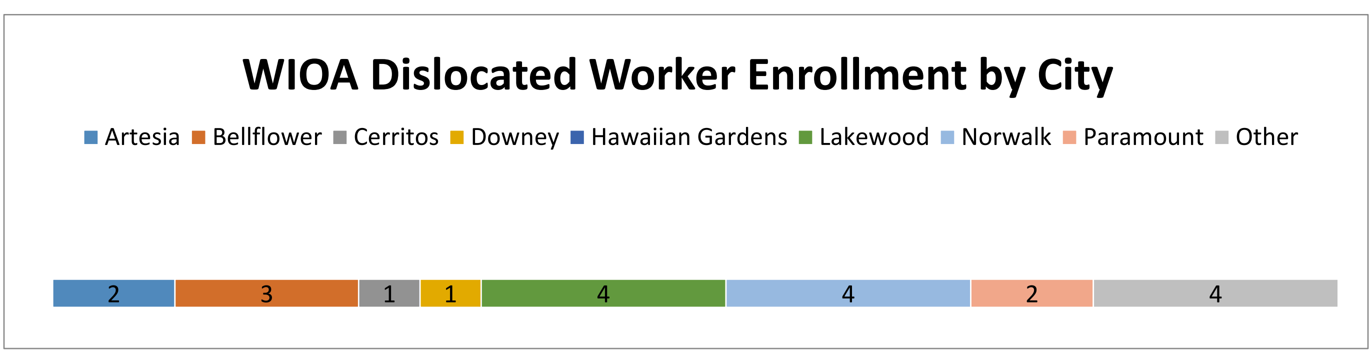
WIOA PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Negotiated PY 25/26	Q1 PY 25/26	Q2 PY 25/26	Q3 PY 25/26	Q4 PY 25/26
Employed 2nd Quarter after Exit	71.0%	80%	33.3%	55.00%	70.00%
Employed 4th Quarter after Exit	71.8%	92.3%	40.0%	72.92%	77.10%
Median Earnings	$9,800	$5,898.91	$26,850.00	$16,329.00	$16,329.00
Credential Rate	75.4%	80%	100%	88.88%	88.88%
Measurable Skill Gain	78.0%	61.5%	71.4%	81.25%	80.00%

Performance numbers are reflective of the predictive report

Activity Breakdown	
Carryovers PY24-25	22
New Enrollments	21
Total Participants	43
Exits	29
Employed at Closure	16
Program Services	
Occupational Skills Training	11
On the Job Training	1
Supportive Services	43
Follow-up Services	2





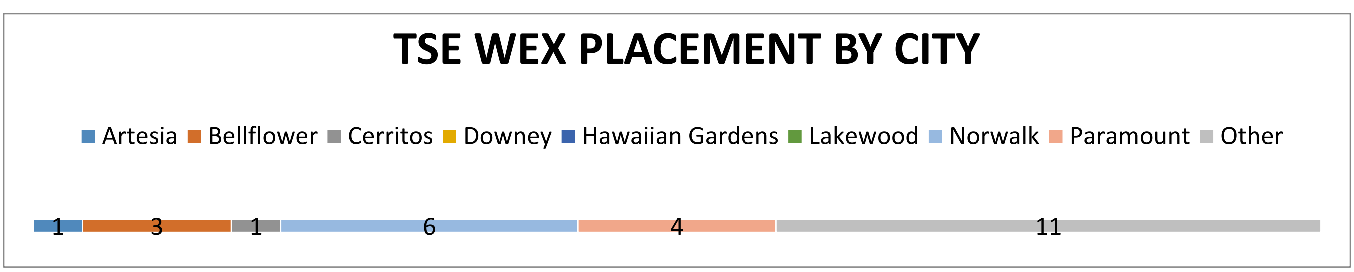
TRANSITIONAL SUBSIDIZED EMPLOYMENT (TSE)

The TSE program is a program in collaboration with the South Bay Workforce Development Board that provides individuals the opportunity to gain the skills and hands on experience needed to transition into their next job and/or career. The program also gives companies a chance to give back to the community and provide opportunities for individuals to gain access into the workforce. SELACO WDB's role in bridging the gap between both parties is to help meet employer's workforce needs by providing qualified, pre-screened applicants.

TSE PERFORMANCE INDICATORS PER QUARTER

TSE Performance Measures PY 25/26	Allocations	Goal	Actual
Projected Enrollments	45	45	26
Placements	45	40	26

PY24-25 Carryover
44



WIOA YOUTH SELACO

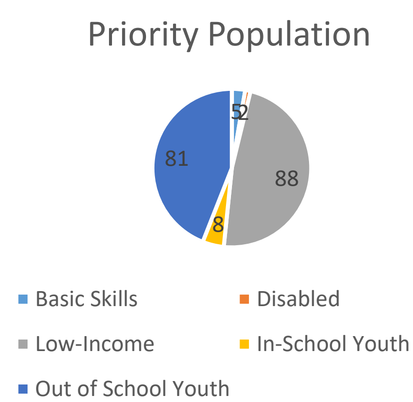
To prepare youth (ages 14-24) with barriers to employment – searching for good jobs by providing career exploration and training. The Youth Program provides an emphasis on serving public assistance recipients, other low-income individuals, basic skills deficient, pregnant or parenting young, foster youth, and youth with additional barriers to employment.

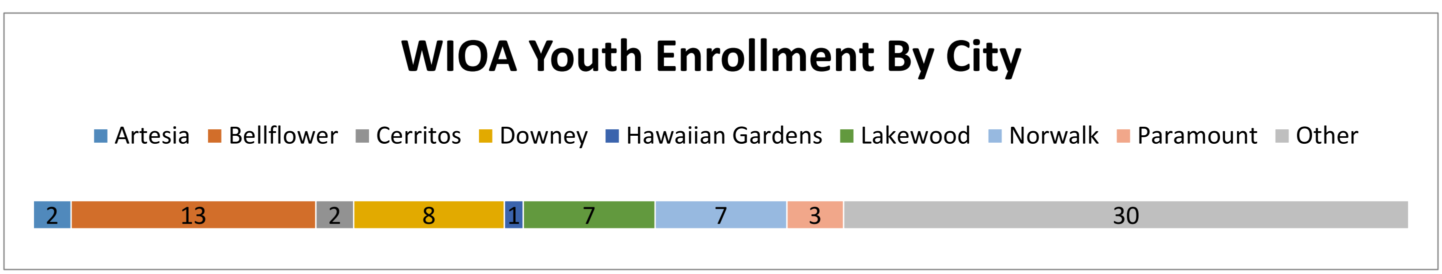
WIOA PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Negotiated PY 25/26	Q1 PY 25/26	Q2 PY 25/26	Q3 PY 25/26	Q4 PY 25/26
Employed or Placed in Education 2nd QT after Exit	72.0%	54.5%	29.4%	51.92%	61.50%
Employed or Placed in Education 4th QT after Exit	69.6%	87.5%	20.7%	53.84%	72.30%
Median Wage	$4,500	$4,086.78	$10,530.00	$7,335.00	$5,362.00
Credential Rate	61.0%	75%	77.8%	70.37%	70.37%
Measurable Skills Gain	80.0%	13.3%	38.5%	56.52%	62.30%

Performance numbers are reflective of the predictive report.

Out-of-School Activity Breakdown	Actual
Carryover	47
New Enrollments	73
Total Participants	120
Exits	32
Employed/ Placed at Closure	11
Program Services	
Occupational Skills Training	5
Enrolled in Alternative Secondary Education	3
Work Experience	33
Supportive Services	265
Follow-up Services	9





WIOA YOUTH ABC

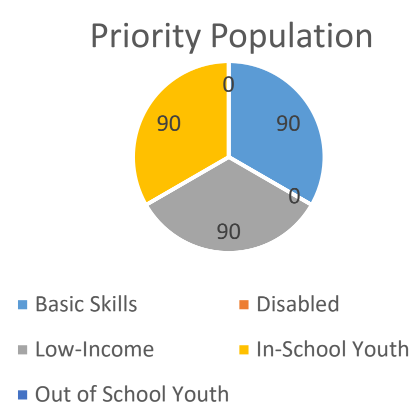
To prepare youth (ages 17-21) with barriers to employment – searching for good jobs by providing career exploration and training. The Youth Program provides an emphasis on serving public assistance recipients, other low-income individuals, basic skills deficient, pregnant or parenting young, foster youth, and youth with additional barriers to employment.

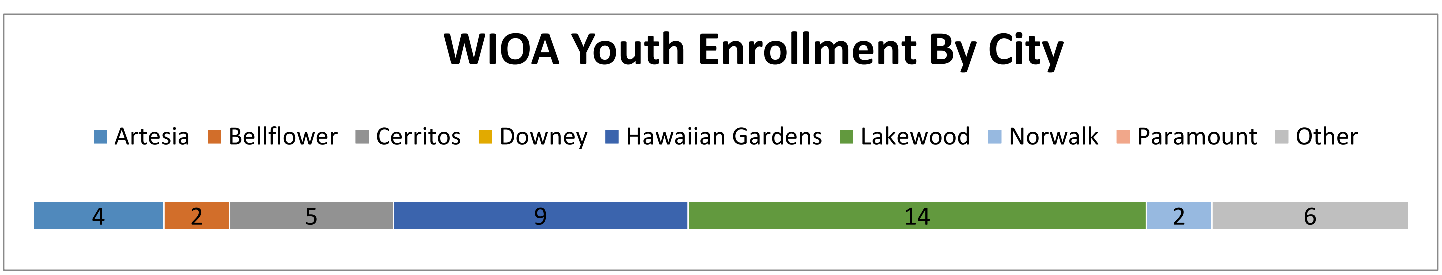
WIOA PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Negotiated PY 25/26	Q1 PY 25/26	Q2 PY 25/26	Q3 PY 25/26	Q4 PY 25/26
Employed or Placed in Education 2nd QT after Exit	72.0%	-	-	-	100.00%
Employed or Placed in Education 4th QT after Exit	69.6%	86%	97.7%	-	92.63%
Median Wage	$4,500	-	-	-	$1,555.00
Credential Rate	61.0%	86%	100%	-	92.63%
Measurable Skills Gain	80.0%	0%	0%	83.3%	81.63%

Performance numbers are reflective of the predictive report.

In-School Activity Breakdown	Actual
Carryovers PY24-25	43
New Enrollments	42
Total Participants	85
Exits	53
Employed/ Placed at Closure	0
Program Services	
Work Experience	42
Supportive Services	81
Postsecondary Transition Services	77
Follow-up Services	0





WIOA YOUTH HAWKEYE

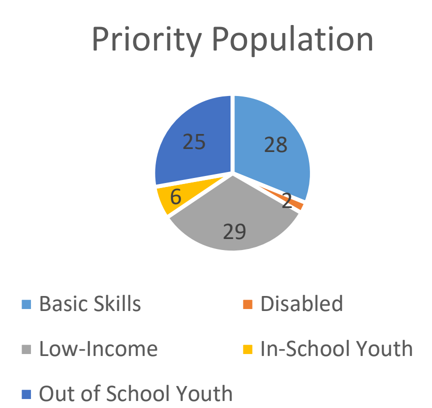
To prepare youth (ages 17-21) with barriers to employment – searching for good jobs by providing career exploration and training. The Youth Program provides an emphasis on serving public assistance recipients, other low-income individuals, basic skills deficient, pregnant or parenting young, foster youth, and youth with additional barriers to employment.

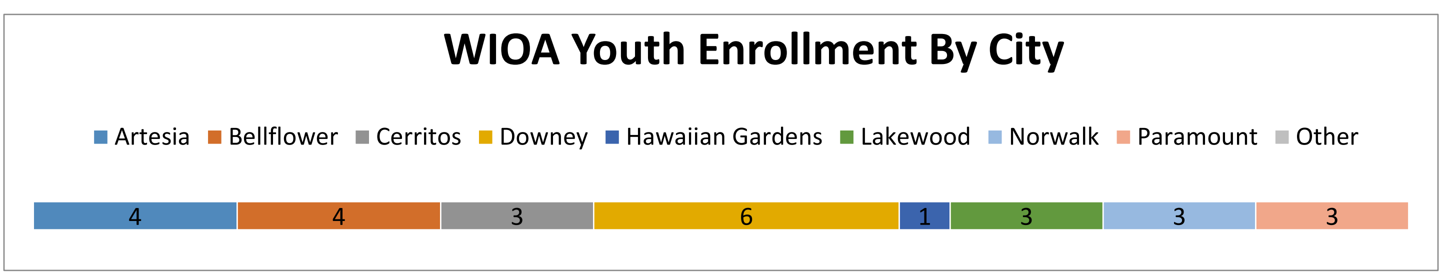
WIOA PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Negotiated PY 25/26	Q1 PY 25/26	Q2 PY 25/26	Q3 PY 25/26	Q4 PY 25/26
Employed or Placed in Education 2nd QT after Exit	72.0%	-	-	-	66.66%
Employed or Placed in Education 4th QT after Exit	69.6%	-	-	-	-
Median Wage	$4,500	-	-	-	$3,725.00
Credential Rate	61.0%	-	-	-	-
Measurable Skills Gain	78.0%	57.1%	60%	61.9%	65.50%

Performance numbers are reflective of the predictive report.

In-School & Out of School Activity Breakdown	Actual
Carryover	10
New Enrollments	27
Total Participants	37
Exits	31
Employed/ Placed at Closure	8
Program Services	
Enrolled in Alternative Secondary Education	10
Work Experience	21
Supportive Services	102
Follow-up Services	6





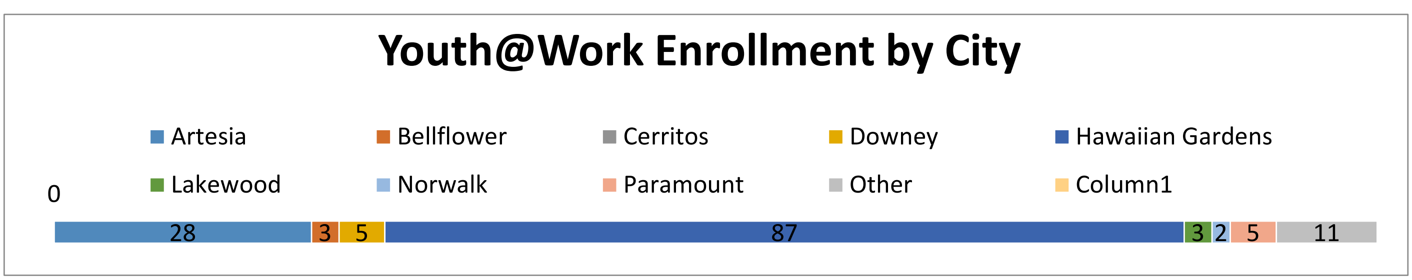
YOUTH@WORK

The Youth@Work program designed to provide work-based learning to Los Angeles County's youth ages 14-21. The goal of the program is to introduce young people to the workplace, gain valuable employment skills and earn an income. Through this process, youth receive up to 20 hours of paid Personal Enrichment and Work Readiness Training (PET) to help them acquire some of the basic "soft skills" necessary to succeed in the workplace. Youth also work on average of 100 hours of work experience after the completion of the PET for a total of 120 hours of combined work preparation and work experience. Youth will also receive a monthly performance evaluation to better gage their individual strengths and weakness. Upon completion of the program, youth receive a certificate of Work Readiness.

YOUTH@WORK ENROLLMENT GOALS

Agency	CalWORKs		NCC		JJCPA		TOTAL	
	Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual
City of Hawaiian Gardens	11	11	75	75	0	0	86	86
Artesia	4	4	30	23	0	0	34	27
SELACO	6	6	18	18	7	7	31	31

Progress	CalWORKS	NCC	JJCPA	Total
Enrollments	21	116	7	144
Exits	21	116	7	144

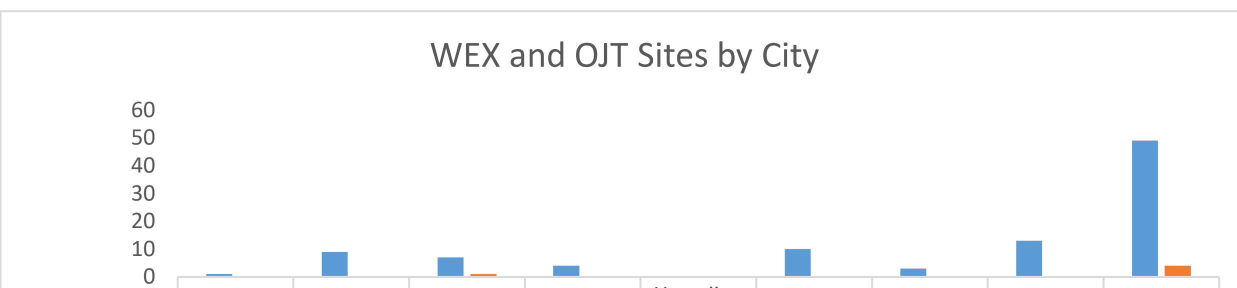


BUSINESS SERVICES

Business services engage with a diverse range of employers to promote business representation on the local board and develop effective linkages with employers to support local workforce investment activities. Develop and deliver innovative workforce investment services and strategies for employers, which may include career pathways, skills upgrading, skill standard development and certification for recognized postsecondary credential or other employer use, apprenticeship, and other effective initiatives for meeting the workforce investment needs of area employers and workers.

Offer appropriate recruitment and other business services on behalf of employers, including small employers, which may include services such as providing information and referral to specialized business and services not traditionally offered through the one-stop delivery system. Provide assistance to employers in managing reductions in force in coordination with rapid response activities and strategies for the aversion of layoffs, which strategies may include early identification of firms at risk of layoffs, use of feasibility studies to assess the needs of and options for at-risk firms, and the delivery of employment and training activities to address risk factors.

Activity Breakdown	
Job Fairs/ Special Recruitments	6
Resume Referral	80
Candidate Pre-screening	2
Employer Networking	172
Referral to Community Services	12
Tax Credit Program Awareness	0
Rapid Response	2
Lay-off Aversion	0
Total	272



	Artesia	Bellflower	Cerritos	Downey	Hawaiian Gardens	Lakewood	Norwalk	Paramount	Other
Worksites	1	9	7	4		10	3	13	49
OJT Sites			1						4

BUSINESS NEEDS ASSESSMENT

A business needs assessment is a systematic process of identifying, analyzing, and prioritizing the needs of a business. It involves gathering and evaluating information about the organization's current state, needs, future goals, and any gaps that exist between the two. The purpose of a needs assessment is to provide a clear understanding of what the business needs to improve performance, efficiency, and effectiveness. This information is then used to develop strategies and action plans to address these needs and achieve the organization's objectives.

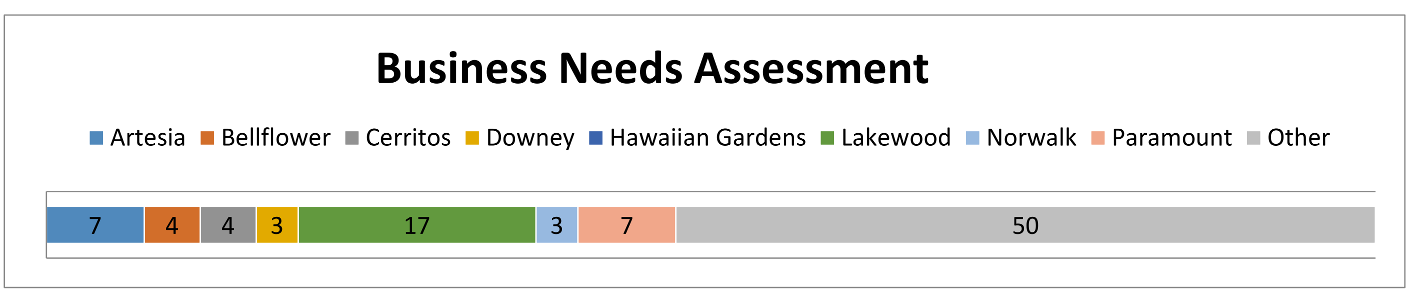
Business Needs Assessment

Goal: 384 **Actual: 35**

Completed: 95 **Outcome: 43**

Industry		Type of Need		Results	
Construction	4	Recruitment and hiring	31	Recruitment and hiring	0
Healthcare	23	Upskills training for current employees.	28	Upskills training for current employees.	0
Hospitality	9	Subsidized wages for new employees/ trainees	51	Subsidized wages for new employees/ trainees	40
Information Technology (IT)	1	Layoff prevention and aversion	0	Layoff prevention and aversion	0
Logistics	0	Tax Incentives	1	Tax Incentives	3
Manufacturing	2	Other:	5	Other:	
Other:	56				

BNA Reports Completed PY24-25
155



EMPLOYER TRAINING PANEL (ETP)

SELACO WDB is a prime contractor for the State's Employment Training Panel (ETP) enterprise, a performance-based initiative supporting job creation and retention, through customized skills training. ETP is funded by a special California corporate tax and differs from other workforce development programs whose emphasis is on pre-employment training. SELACO WDB, with ETP funds, fulfills its mission by reimbursing the cost of employer-driven training for incumbent workers. Overall, the ETP program helps to ensure that California businesses will have the skilled workers they need to remain competitive. Employers must be able to effectively train workers in response to changing business and industry needs. While the need for workforce training is critical, businesses generally reserve capacity-building dollars for highly technical and professional occupations – Limiting investment in training for frontline workers who produce goods and deliver services. ETP helps to fill this gap by funding training that is targeted to the frontline workers.

Eligible Training Panel (ETP)				
ET-25-0241 (Contract Term: 2025-2027)				
ETP Trainees		Enrollments	Completions	Retentions
Planned	Large Business 100+ Employees	246	246	246
Planned	Small Business >100 Employees	227	227	227
Actual	Large Business 100+ Employees	481	391	158
Actual	Small Business >100 Employees	145	133	124

SPECIAL AND REGIONAL PROGRAMS

CHILD DEVELOPMENT PROGRAM REGIONAL SUPPORTIVE SERVICES 3.0

Facilities	Planned Enrollments	Actual Enrollments
A. J. Padelford Child Development Center 11922 169th Street, Artesia, CA 90701 Center Director: Maria Olmedo Phone Number: (562) 926-2427	72	23
Artesia Child Development Center 18730 Clarkdale Avenue, Artesia, CA 90701 Center Director: Katya Valencia-Campoy Phone Number: (562) 653-0290	72	74
Bellflower Child Development Center 447 Flower Street, Bellflower, CA 90706 Center Director: Gloria Torres Phone Number: (562) 804-7990	48	49
Bellflower II Child Development Center 14523 Bellflower Blvd., Bellflower, CA 90706 Center Director: Maria Brena Phone Number: (562) 867-8399	72	56
Lakewood Child Development Center 5225-A Hayter Avenue, Lakewood, CA 90712 Center Director: Silvia Guzman Phone Number: (562) 531-9440	72	56
Maywood Child Development Center 4803 58th Street, Maywood, CA 90270 Center Director: Josefina Perez Phone Number: (323) 560-5656	72	67
Norwalk Child Development Center 14000 San Antonio Drive, Norwalk, CA 90650 Center Director: Maria Vasquez Phone Number: (562) 864-1958	40	32
Total	448	357

COUNCIL OF GOVERNMENTS (COG) - HOMELESS EMPLOYMENT PROGRAM

In collaboration with Gateway Cities Council of Government, SELACO WDB, SHARE and HUB cities, the Homeless Employment Program is designed to provide immediate shelter for the homeless within the Gateway region, followed by employment and training services. The overall goal of the project is to support homeless candidates secure permanent housing, long term employment and self-sufficiency.

The role of each partner:
Gateway Cities: will serve as the project administrator and provide oversight/guidance to the selected providers.

SHARE! Collaborative Housing: will provide affordable permanent supportive housing in single-family houses throughtout Los Angeles County and assist candidates in addressing issues that hinder their ability to secure full time employment. Once barriers to employment have been addressed, SHARE will refer candidates to the workforce partners for training and employment services.

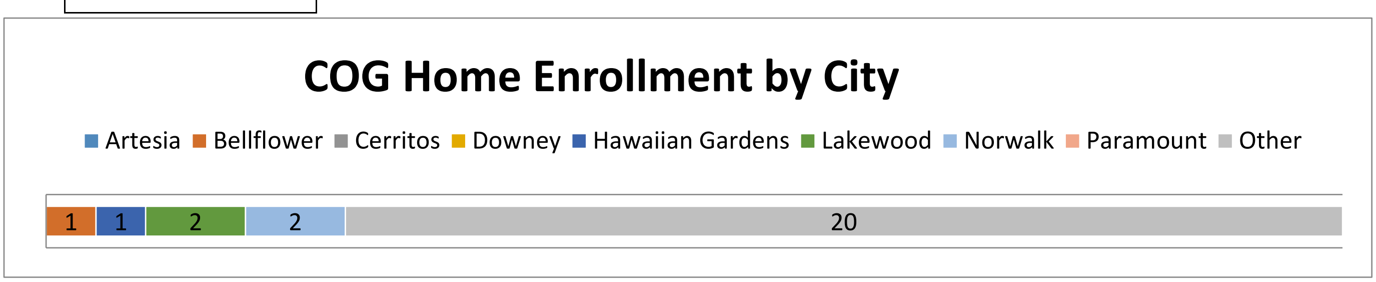
SELACO WDB and HUB Cities: each agencey will support 48 candidates. Services will include:

- Co-enrollment into WIOA
- Career planning
- Development of Individal Employment Plans that may include paid work experience, vocational training, On-the-Job training, and/or placement into full time employment
- Ongoing Case Management
- Follow-Up services for one year after exit

Enrollment Activity		
	Planned	Actual
Attended a Job Search Workshop	20	1
Completed Individual Service Plan	50	16
Internships	8	0
Secured Part-time Employment	3	1
Secured Full-time Employment	28	5
Retained Employment (3-months)	23	2
Increased wages	40	0

Referral Activity		
	Planned	Actual
Referrals to SHARE	N/A	0
Referrals from SHARE	N/A	26
Enrollments	50	26

PY24-25 Carryovers
14



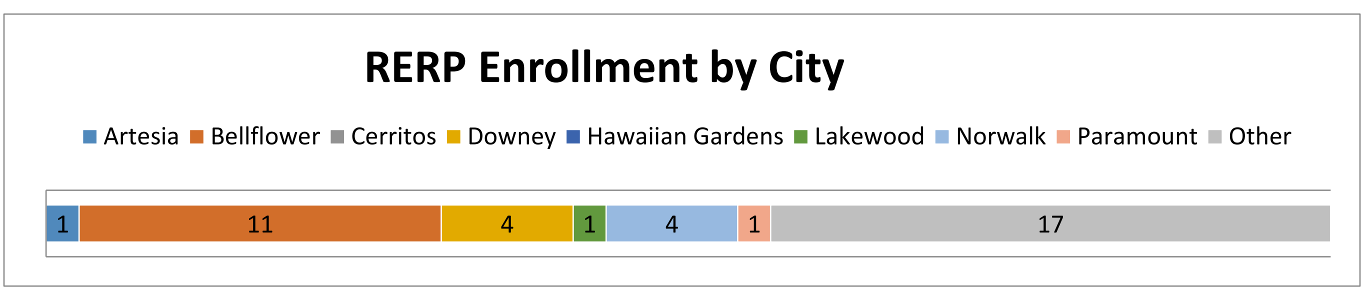
REGIONAL EQUITY AND RECOVERY PARTNERSHIP (RERP)

The overall goal of the Regional Equity and Recovery Partnership (RERP) is to improve job quality and job access for individuals from underserved and underrepresented populations, meet the skill and profitability needs of employers and meet the economic, social, and environmental needs of the community. SELACO will provide program coordination and management, data collection and reporting, and partner with Cerritos College to provide training in supply chain logistics

RERP PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Planned	Actual
New Enrollment	35	39
Individuals in Training	35	27
Individuals Completed Training	30	26
Attained Industry Recognized Certificate or Credential	30	26
Obtained Employment	30	14

PY24-25 Carryovers
7



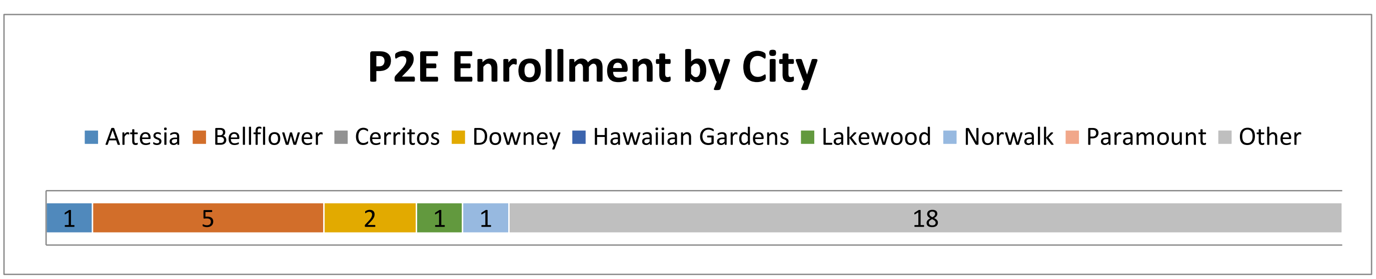
PRISON TO EMPLOYMENT – P2E

The Workforce Development Boards WDB of the Los Angeles region (LARPU) submitted a plan to create a regional approach in serving reentry individuals and the justice system. The plan was awarded under Prison to Employment (P2E) through the California Workforce Development Board in January of 2023.

P2E INITIATIVE PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Planned	Actual
New Enrollment	26	27
Individuals in Training	9	9
Individuals Completed Training	8	7
Attained Industry Recognized Certificate or Credential	8	7
Placement in Postsecondary Education	1	0
Placement in State Approved Apprenticeship	3	1
Employment	16	13

PY24-25 Carryovers
2



HELPING JUSTICE-INVOLVED EMPLOYMENT - HIRE

The **Helping Justice-Involved Reenter Employment (HIRE)** initiative, funded by the California Workforce Development Board (CWDB), helps justice-involved individuals achieve meaningful employment. At SELACO WDB, the HIRE grant addresses challenges faced by formerly incarcerated individuals by providing workforce development services and fostering employer partnerships.

Key focus areas include:

- **Target Population**: Supporting justice-involved individuals through skill-building and sustainable employment.
- **Customized Support**: Tailored career services, training, and resources to overcome employment barriers.
- **Employer Engagement**: Partnering with businesses for job placements and fair hiring practices.
- **Community Partnerships**: Collaborating with organizations specializing in reentry services.
- **Outcomes Measurement**: Tracking job placements, retention, and wage growth to ensure success.

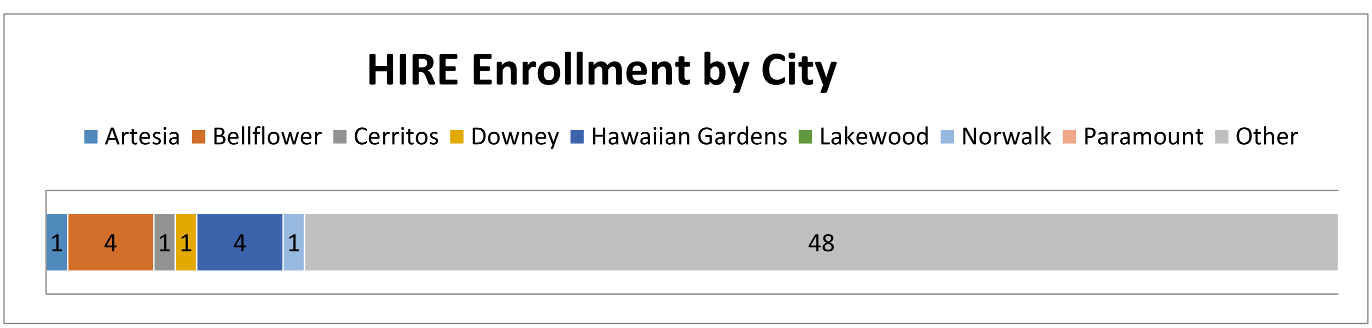
By leveraging the HIRE grant, SELACO WDB empowers individuals to achieve economic stability and reduces recidivism through meaningful career pathways.

HIRE INITIATIVE PERFORMANCE INDICATORS PER QUARTER

Performance Measure	Planned	Actual
New Enrollment	60	60
Enrolled In Training	24	25
Completed Training	19	19
Attained Industry-Identified Certificate or Degree	19	19

Program Services	Planned	Actual
Placement in Postsecondary Education	8	6
Placement in State Approved Apprenticeship	6	8
Career Advancement	6	22
Employment	36	34

PY24-25 Carryovers
35



GLOSSARY OF TERMS

AJCC:	American Job Center of California
ASE:	Academic Skills Enhancement
CalJOBS:	California Job Services
CWDB	California Workforce Development Board
DEI:	Disability Employment Initiative
EDD:	Employment Development Department
ETP:	Employment Training Panel
GED:	General Education Development
LMI:	Labor Market Information
PJSA:	Personalized Job Search Assistance
SELACO WDB:	Southeast Los Angeles County Workforce Development Board
STEPS:	Steps to Economic and Personal Success Workshop
TSE:	Transitional Subsidized Employment
WDB:	Workforce Development Board
WIOA:	Workforce Innovation and Opportunity Act

MEMORANDUM

DATE:	July 23, 2026
TO:	SELACO WDB Board of Directors
FROM:	Yolanda L Castro, Executive Director
RE:	Approval of SELACO WDB Budget for Program Year (PY) 2026-2027

Attached for review and approval is the Southeast Los Angeles County Workforce Development Board's (SELACO WDB's) Program Year (PY) 2026-2027 budget. The proposed budget supports full-service operations, with adjustments for operational needs and anticipated funding changes.

See the attached Projected Revenue Budget for each budget line item with an increase or decrease in funding allocations.

Projected Revenue Budget

SELACO WDB's total projected Operating Revenue for PY 2026-2027 decreases by a net of $1,061,427, or approximately 6.5%, compared to the budget approved on March 26, 2026.

Revenue budget increases total $586,678 and are summarized below:

1) **Special Projects**: An increase of $583,178 reflects continued and carried-over funding for the following grants:
    - #01. Disability Access, Equity, and Inclusion (DAEI) (+ $245,974)
    - #02. Employment Panel Training (ETP) Grant (+ $337,204)
    -
2) **Transitional Subsidized Employment (TSE) Program**: A net increase of $3,500 reflects PY 2026-27 new funding offset by a decrease in carryover funds for these performance-based grants:
    - #09. Transitional Subsidized Employment (TSE) – Carry Over (- $41,500)
    - #10. Transitional Subsidized Employment (TSE) (+ $45,000)

Revenue budget decreases total $1,648,105 and are summarized below:

1) **Special Projects**: A decrease of $1,586,059 reflects completed projects and changes in continued or carried-over funding for the following grants:
    - #03. Gateway Cities Homeless Employment (H2E) Program (- $75,755)
    - #05. HIRE LA Program (- $335,189) ***completed in PY25/26***

- #06. LA County Youth @ Work (- $340,200) due ***to reduced PY26/27 funding***
- #07. Preschool Grant (- $762,737) ***due to closure of Norwalk site***
- #08. Regional Equity and Recovery Partnership (RERP) (- $72,178) ***completed in PY25/26***

2) **Workforce Innovation and Opportunity Act (WIOA) Formula Funding and Transfers**: A net decrease of $60,091 reflects a net increase in PY 2026-2027 WIOA formula allocations, offset by lower projected carryover funds from PY 2025-2026 allocations:

   Total PY 2026-2027 WIOA formula allocations for Adult, Dislocated Workers, Youth, Rapid Response, and Lay-Off Aversion increased by $119,536, or 2.4%, compared to the previous year's funding:
   - #12. WIOA Adult (- $99,105)
   - #15. WIOA Dislocated Workers (+ $265,231)
   - #18. WIOA Youth (- $115,907)
   - #20. WIOA Rapid Response (+ $58,253)
   - #21. WIOA Lay-Off Aversion (+ $11,064)

   Total PY 2025-2026 WIOA formula carryover funds for Adult, Dislocated Workers, and Youth decreased by $179,627:
   - #11. WIOA Adult-Carry Over (+ $196,050)
   - #14. WIOA Dislocated Workers-Carry Over (- $29,366)
   - #17. WIOA Youth-Carry Over (- $390,311)
   - #19. WIOA Rapid Response-Carry Over (+ $44,000)

   The projected revenue budget includes a request to transfer up to $500,000, or 30.6%, of WIOA Dislocated Worker funds to the WIOA Adult program. State policy allows transfers of up to 100% when needed. Based on SELACO WDB's enrollment trends, most participants qualify under the Adult category. The transfer aligns resources with demand, increases flexibility, and strengthens services for job seekers at the America's Job Center of California (AJCC). The proposed transfer is listed below:
   - #13. WIOA Adult (+ $500,000)
   - #16. WIOA Dislocated Workers (- $500,000)

3) **One-Stop Partners' Shared Costs**: A decrease of $1,955 reflects revised estimates for shared infrastructure costs, including rent, telephone/internet, security, and repair and maintenance:
   - #22. Other Revenues: Shared Infrastructure Costs from One-Stop Partners (- $1,955)

<u>Proposed Expenditure Budget</u>

SELACO WDB's total Expenditure Budget for PY 2026-2027 reflects a net decrease of $752,223, or approximately 5.2%, compared to the previously approved budget. The reduction is summarized below:

1) Total personnel costs increased by $224,312, or 5.5%. The increase reflects scheduled annual step increases, a full-year budget for previously vacant positions, staff promotions and reorganization, and continued support for SELACO WDB's "Boots on the Ground"

initiative, which has increased customer traffic and the need for intake, career planning, and direct placement assistance.

Staff promotions and organizational restructuring are reflected in the attached Organizational Chart and support the proposed budget for Program Year 2026–2027.

Due to reductions in WIOA Youth funding, WIOA Adult funding, LA County Youth@Work, Gateway Cities Homeless funding, and the conclusion of two significant contracts—HIRE and RERP—leadership conducted a careful review of staffing levels, program needs, and the skills of existing personnel.

This review determined that targeted organizational changes are necessary to maintain service quality, align staffing with available resources, and ensure the continued successful delivery of customer services. Based on this assessment, leadership recommends the following changes to the organizational chart:

- The reduction in Youth funding results in the elimination/layoff of one Career Development Specialist I position within the Youth Department. This position has remained unfilled for 4 months due to an employee's unpaid medical leave. Based on the reduced funding level and current workload, existing Youth Department staff and staff assigned to special projects are able to manage program responsibilities without backfilling this position; therefore, the position is no longer needed.

- The reduction in funding also eliminates the planned recruitment of a Youth Services Analyst. Any anticipated duties associated with that position will be absorbed by the existing Department Administrative Assistant.

- To reflect the expanded scope of responsibilities, the Department Administrative Assistant will be reclassified as a Department Analyst.

- Staff previously assigned to special projects, including the HIRE, P2E, and RERP grants, will not be laid off solely due to the completion of those grants. Instead, these staff will be reassigned to support "boots on the ground" outreach and assist with intake, case management, follow-up, and customer support for individuals enrolled in Adult, Dislocated Worker, Youth, and other special programs serving youth and adult job seekers.

- Increased Rapid Response and Layoff Aversion funding, combined with State and Federal initiatives to strengthen sector-based business services, supports the need for a full-time Business Services Manager. This position will ensure SELACO WDB is positioned to meet current and future business engagement objectives. To support this priority, Adam Von Heeder has been relieved of direct oversight of job seeker services and will dedicate 100% of his time to strengthening and expanding business engagement services.

- To provide appropriate oversight of Adult, Dislocated Worker, and special project job seeker services, the Career Services Manager position will be reinstated in the organizational chart as originally intended. Renee Galvan, currently serving as Coordinator of Adult, Dislocated Worker, and Special Projects, has been employed with SELACO WDB for 25 years. During her tenure, she has demonstrated strong expertise in partner engagement, intake, case management, job placement assistance, customer follow-up, staff training, and mentoring. Over the past four years, she has successfully led re-entry programs and the RERP project. Leadership recommends advancing Renee Galvan into the Career Services Manager position because she already possesses the institutional knowledge, technical skills, and leadership experience needed for the role. This action eliminates the need for internal and/or external recruitment, helps prevent additional layoffs, and reduces the financial burden of adding a new full-time position while promoting an existing employee with a proven record of success.

- With the advancement of AI use within the organization and the growing demands placed on the IT/Facilities Department, the organizational chart advances the current Tech Support position, held by Alberto Mariscal, to IT Technician. The budget also supports backfilling the Tech Support position with an entry-level candidate who can assist with website maintenance and development, technology support, and other emerging needs within the IT/Facilities Department.

- To reflect the expanded scope of responsibilities within the Fiscal Department, the current Accounting Clerk position held by Asia Poston will be advanced to an Accounting Specialist position. Over the past year, the employee has strengthened her technical knowledge through accounting coursework and has continued to develop the skills needed to support more complex fiscal functions, including documentation review, reconciliation assistance, and general accounting support. This recommendation supports SELACO WDB's plan for growth from within by recognizing demonstrated progress, encouraging continued professional development, and building internal capacity within the Fiscal Department. Advancing the employee into the Accounting Specialist role also allows the agency to meet current workload needs without backfilling the Accounting Clerk position, resulting in a more efficient staffing structure while supporting retention of an employee who has shown readiness for increased responsibility.

2) Total non-personnel costs increased by $24,197, or 2.1%, compared to the previous year's budget. The budget line-item changes are summarized below:

- **Conferences/Staff Development**: **- $37,495**
  The proposed decrease aligns the staff development budget with reduced PY 2026-2027 funding. In recent years, SELACO WDB has experienced retirements of seasoned staff and organizational restructuring to better support its goals. The reduced budget remains necessary to maintain service quality and prepare for future workforce needs.
- **Rent: - $3,773**
  The decrease reflects the annual rent adjustment under the new lease amendment.
- **Furniture & Equipment: - $15,000**
  The reduction reflects the projected furniture and equipment needs for PY 2026-2027.
- **Repair & Maintenance: + $10,000**
  The increase covers anticipated repair and maintenance costs associated with the re-carpeting project included in the lease amendment.

- **Supplies: + $10,000**
  The increase covers higher supply costs, including computer and printer toner.
- **Subscriptions/Dues/Memberships: + $5,500**
  The increase supports higher subscription costs and essential technology services for virtual service delivery.
- **Insurance: + $4,466**
  The increase reflects anticipated annual insurance premium adjustments.
- **Professional Fees: + $47,500**
  The increase covers costs related to local and regional plan activities.
- **Bank Fees/Interest Expense: + $ 3,000.**
  The increase reflects anticipated higher monthly bank fees due to lower interest rates.

Overall, the total In-House Costs Budget increased by $248,510, or 4.7%, reflecting the combined increases of $224,312 in personnel costs and $24,198 in non-personnel costs.

3) Total Training and Support Services Budget decreased by $1,000,733, or 10.8%, compared to the previously approved budget. The decrease primarily reflects completed special projects, reduced special project funding, and cost realignment based on carryover funds.

See the attached Proposed Expenditure Budget for each budget line item with an increase or decrease to the overall PY 2026-2027 budget.

Unobligated Balance

Based on projected revenues and proposed expenditures, SELACO WDB's unobligated balance is projected at $1,807,497, a decrease of $337,032, or 15.7%, compared to the previously approved budget.

Action Required:

- Approve the proposed PY 2026-27 budget as submitted.
- Authorize the Executive Director to request State approval to transfer up to $500,000, or 30.6%, of Dislocated Worker funding to Adult Services.
- Approved the proposed PY 2026-2027 organization restructuring to meet service demands, aligning staffing with funding reduction, which includes the layoff of one Career Services Specialist I position.

SELACO WDB
PROJECTED REVENUE BUDGET
PROGRAM YEAR 2026-2027

	REVENUE SOURCES	REVENUES APPROVED ON 3/26/26	PROPOSED BUDGET	INCREASE / (DECREASE)
1	Disability Access, Equity & Inclusion (DAEI)	477,026	723,000	245,974
2	Employment Training Panel (ETP) Grant	512,796	850,000	337,204
3	Gateway Cities Homeless Employment (H2E) Program	326,461	250,706	(75,755)
4	Aged Out Foster Youth (AOFY) Employment Program	150,000	150,000	-
5	Hired LA Program	335,189	-	(335,189)
6	LA County: Youth @ Work	536,700	196,500	(340,200)
7	Preschool Grant	5,940,635	5,177,898	(762,737)
8	Regional Equity and Recovery Partnership (RERP)	72,178	-	(72,178)
9	Transitional Subsidized Employment (TSE) - Carry Over	81,000	39,500	(41,500)
10	Transitional Subsidized Employment (TSE)	-	45,000	45,000
11	WIOA Adult - Carry Over	1,100,950	1,297,000	196,050
12	WIOA Adult	1,704,599	1,605,494	(99,105)
13	WIOA Adult - Transfer from WIOA Dislocated Workers	1,000,000	500,000	(500,000)
14	WIOA Dislocated Workers - Carry Over	197,366	168,000	(29,366)
15	WIOA Dislocated Workers	1,366,459	1,631,690	265,231
16	WIOA Dislocated Workers - Transfer to WIOA Adult	(1,000,000)	(500,000)	500,000
17	WIOA Youth - Carry Over	1,418,311	1,028,000	(390,311)
18	WIOA Youth	1,742,598	1,626,691	(115,907)
19	WIOA Rapid Response - Carry Over	-	44,000	44,000
20	WIOA Rapid Response	174,761	233,014	58,253
21	WIOA Lay-Off Aversion	66,057	77,121	11,064
22	Other Revenues - Shared Infrastructure Costs from One-Stop Partners	110,731	108,777	(1,955)
TOTAL OPERATING REVENUES		**16,313,818**	**15,252,391**	**(1,061,427)**
23	Non-WIOA Training Revenues	326,727	323,718	(3,009)
TOTAL REVENUES		**16,640,545**	**15,576,109**	**(1,064,436)**

SELACO WDB
PROPOSED EXPENDITURE BUDGET
PROGRAM YEAR 2026-2027

LINE ITEM DESCRIPTION	APPROVED BUDGET ON 3/26/26	PROPOSED BUDGET	INCREASE / (DECREASE)
PERSONNEL COSTS			
Salaries & Wages	3,140,023	3,296,695	156,672
Payroll Taxes/Worker Compensation	286,981	296,470	9,489
Employee Benefits	677,988	736,140	58,152
TOTAL PERSONNEL COSTS	**4,104,993**	**4,329,305**	**224,312**
NON-PERSONNEL COSTS			
Mileage	10,000.00	10,000	-
Conferences/Staff Development	188,000.00	150,505	(37,495)
Meeting Expenses	15,000.00	15,000	-
Rent	407,853.40	404,080	(3,773)
Telephone/Internet	22,500.00	22,500	-
Furniture & Equipment	67,500.00	52,500	(15,000)
Repair & Maintenance	17,000.00	27,000	10,000
Outreach/Recruitment	30,000.00	30,000	-
Supplies	55,000.00	65,000	10,000
Subscriptions/Dues/Memberships	99,500.00	105,000	5,500
Insurance	48,034.10	52,500	4,466
Professional Services Fees	152,500.00	200,000	47,500
Legal Fees	25,000.00	25,000	-
Bank Fees/Interest Expense	3,000.00	6,000	3,000
TOTAL NON-PERSONNEL COSTS	**1,140,887.50**	**1,165,085**	**24,198**
TOTAL IN-HOUSE COSTS	**5,245,880**	**5,494,390**	**248,510**
TRAINING & SUPPORT SERVICES			
Classroom/ OJT/ IWT Payments			
Employment Training Panel (ETP)	287,085	549,428	262,343
Hired LA Program	127,376	0	(127,376)
Regional Equity and Recovery Partnership (RERP)	4,808	0	(4,808)
WIOA Adult	642,306	501,598	(140,708)
WIOA Dislocated Workers	81,540	100,000	18,461
WIOA Youth	85,568	30,750	(54,818)
Non-WIOA Training Expenditures	326,727	323,718	(3,009)
Subtotal	1,555,409	1,505,494	(49,914)

LINE ITEM DESCRIPTION	APPROVED BUDGET ON 3/26/26	PROPOSED BUDGET	INCREASE / (DECREASE)
Cost Reimbursements / Contracted Services			
Day Care Pre-School / Special Grants	5,532,587	4,827,056	(705,532)
Disability Access, Equity & Inclusion (DAEI)	183,857	220,428	36,571
Employment Training Panel (ETP)	30,000	10,500	(19,500)
ETP/WIOA Business Engagement Services	20,000	58,800	38,800
Hired LA Program	58,467	0	(58,467)
LA County - Youth @ Work	429,164	133,540	(295,624)
WIOA ETPL Delegation Services	5,000	5,000	0
WIOA Youth	703,361	545,596	(157,765)
WIOA One-Stop Operator	25,000	50,000	25,000
WIOA Security Guard	60,000	60,000	0
Subtotal	7,047,436	5,910,920	(1,136,516)
Work Experience / Skillz Menu			
Disability Access, Equity & Inclusion (DAEI)	90,000	225,806	135,806
Hired LA Program	20,598	0	(20,598)
LA County - Youth @ Work	52,364	40,776	(11,588)
WIOA Adult	126,294	100,000	(26,294)
WIOA Youth	256,331	348,796	92,466
Subtotal	545,586	715,378	169,792
Training Supplies			
WIOA Adult	6,500	5,000	(1,500)
WIOA Dislocated Workers	500	2,500	2,000
WIOA Youth	5,000	2,500	(2,500)
Subtotal	12,000	10,000	(2,000)
Direct Support Payments			
Gateway Cities' Homeless Employment Program	11,299	21,922	10,623
Gateway Cities' AOFY Employment Program	5,000	5,000	0
LA County - Youth @ Work	1,420	960	(460)
Hired LA Program	6,806	0	(6,806)
WIOA Adult	50,000	50,000	0
WIOA Dislocated Workers	15,000	20,000	5,000
WIOA Youth	25,000	34,548	9,548
Subtotal	114,525	132,430	17,905
TOTAL TRAINING & SUPPORT SERVICES	**9,274,956**	**8,274,223**	**(1,000,733)**
GRAND TOTAL	**14,520,836**	**13,768,613**	**(752,223)**
CURRENT UNOBLIGATED BALANCE	**2,144,529**	**1,807,497**	**(337,032)**

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda Castro, Executive Director

RE: Amendment to SELACO WDB 403(b) Retirement Plan

Purpose

The purpose of this memorandum is to inform the Board of the required IRS Cycle 2 Restatement for SELACO WDB's 403(b) Retirement Plan and to obtain authorization for the timely execution of the related plan documents.

Background

MAP Retirement, the third-party administrator for SELACO WDB's 403(b) Retirement Plan, has completed the IRS-required Cycle 2 Restatement of the Plan documents to ensure continued compliance with current federal retirement plan regulations. This mandatory update incorporates legislative and regulatory changes resulting from the SECURE Act, CARES Act, Consolidated Appropriations Act (CAA), and SECURE 2.0 Act.

The restatement is an administrative compliance requirement established by the Internal Revenue Service (IRS) and is necessary to maintain the Plan's tax-qualified status. The updated documents reflect current retirement plan laws and ensure that SELACO WDB's Plan remains in compliance with applicable IRS and Department of Labor requirements.

This action is procedural in nature and does not modify employee benefits, alter plan design, or result in any additional financial obligations to the organization. Rather, it ensures the continued legal and regulatory compliance of SELACO WDB's retirement plan.

Action Required:

Staff recommends that the Board acknowledge the completion of the IRS Cycle 2 Restatement process and authorize the Executive Director to execute all required plan documents, amendments, and related certifications necessary to maintain the SELACO WDB 403(b) Retirement Plan in compliance with applicable federal laws and regulations.

WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC
FORMAL RECORD OF ACTION

The following is a formal record of action taken by the governing body of Workforce Development Corporation Of Southeast Los Angeles County, Inc (the "Employer").

With respect to the amendment and restatement of the Workforce Development Corporation Of Southeast Los Angeles County, Inc (the "Plan"), the following resolutions are hereby adopted:

RESOLVED: That the Plan be amended and restated effective July 01, 2026, in the form attached hereto, which Plan is hereby adopted and approved;

RESOLVED FURTHER: That the appropriate officers of the Employer be, and they hereby are, authorized and directed to execute the Plan on behalf of the Employer;

RESOLVED FURTHER: That the officers of the Employer be, and they hereby are, authorized and directed to take any and all actions and execute and deliver such documents as they may deem necessary, appropriate or convenient to effect the foregoing resolutions including, without limitation, causing to be prepared and filed such reports documents or other information as may be required under applicable law.

Dated: ______________________

____

____

____

WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC

MAP RETIREMENT

WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC

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ADOPTION AGREEMENT # 001
ERISA 403(b) PLAN

NOTE: *This plan document is intended for use by a 403(b) plan that is subject to ERISA.*
The undersigned adopting Eligible Employer hereby adopts this Plan. The Plan is intended to meet the requirements of Code section 403(b). The Plan shall consist of this Adoption Agreement, its related Basic Plan Document #07 (ERISA 403(b)), investment arrangements that hold plan assets, and any related addendums to the Adoption Agreement. Unless otherwise indicated, all Section references are to Sections in the Basic Plan Document.

ELIGIBLE EMPLOYER INFORMATION

NOTE: *An amendment is not required to change the responses in items 1-13 below.*

1. Name of adopting Eligible Employer (Plan Sponsor): Workforce Development Corporation Of Southeast Los Angeles County, Inc
2. Address: 10900 E 183rd Street Suite 350
3. City: Cerritos
4. State: CA
5. Zip: 90703
6. Phone number: 562-402-9336
7. Fax number: ___________
8. Plan Sponsor EIN: 33-0287492
9. Plan Sponsor fiscal year end: June 30
10. Plan Sponsor entity type: 501(c)(3)
 a. **[X]** Tax-Exempt Organization under Code section 501(c)(3)
11. State or commonwealth of organization of Plan Sponsor: California
12. **Affiliated Service Groups**
 [ ] The Plan Sponsor is a member of an affiliated service group. List all members of the group (other than the Plan Sponsor): ___________
 NOTE: *Affiliated service group members must adopt the Plan with the approval of the Plan Sponsor to participate.*
 NOTE: *Listing affiliated service group members is for information purposes only and is optional.*
13. **Controlled Groups**
 [ ] The Plan Sponsor is a member of a controlled group. List all members of the group (other than the Plan Sponsor): ___________
 NOTE: *Controlled group members must adopt the Plan with the approval of the Plan Sponsor to participate.*
 NOTE: *Listing controlled group members is for information purposes only and is optional.*

PLAN INFORMATION

A. GENERAL INFORMATION

Plan Information

1. Plan Number: 001

2. Plan name:

a. Workforce Development Corporation Of Southeast Los Angeles County, Inc

b. __________

3. Effective Date

a. Original effective date of Plan: July 01, 1995

b. **[X]** This is a restatement of a previously-adopted plan to comply with the 2022 Cumulative List (Cycle 2 Restatement). Effective date of Plan restatement: July 01, 2026

NOTE: *The dates specified above may not be earlier than the first day of the Plan Year during which the Plan is adopted or amended and restated by the Plan Sponsor.*

4. Plan Year

a. Plan Year means each consecutive 12-month period ending on June 30 (e.g., December 31)

b. **[ ]** The Plan has a short Plan Year. The short Plan Year begins __________ and ends __________

i. In the event of a Short Plan Year, service conditions will be pro-rated based on months for the following purposes:

[ ] None

[ ] All purposes (i.e., eligibility, allocation conditions, and vesting)

[ ] Other: __________

NOTE: *The provisions of A.4b apply only in the event of an initial Plan Year. A Short Plan Year for reasons other than the initial Plan Year requires a Plan amendment.*

5. Limitation Year means:

a. **[X]** Plan Year

b. **[ ]** calendar year

c. **[ ]** tax year of the Plan Sponsor

d. **[ ]** other: __________

NOTE: *If "other" is selected, the Limitation Year must be a consecutive 12-month period.*

6. Frozen Plan

a. **[ ]** The Plan is frozen as to eligibility effective: __________

b. **[ ]** The Plan is frozen as to benefit accruals effective: __________

Plan Features

7. Elective Deferrals

a. Elective Deferrals are permitted.

[X] Yes **[ ]** No

b. Roth Elective Deferrals are permitted.

[X] Yes **[ ]** No

NOTE: *If "No" is selected in A.7a, questions regarding Elective Deferrals and Safe Harbor Contributions are disregarded, and no Elective Deferrals and Safe Harbor Contributions will be permitted.*

8. Voluntary After-Tax Contributions

Voluntary After-Tax Contributions are permitted.

[ ] Yes **[X]** No

NOTE: *If "No", questions regarding Voluntary After-Tax Contributions are disregarded.*

9. Mandatory Contributions

a. Mandatory After-Tax Contributions are permitted.

[ ] Yes **[X]** No

b. Mandatory Pre-Tax Contributions are permitted.

[ ] Yes **[X]** No

NOTE: *If "No", questions regarding Mandatory Contributions are disregarded.*

10. Safe Harbor Contributions

Safe Harbor Contributions are permitted.

[ ] Yes **[X]** No

NOTE: *If "No", questions regarding Safe Harbor Contributions are disregarded.*

11. Matching Contributions

Matching Contributions are permitted.

[ ] Yes **[X]** No

NOTE: *If "No", questions regarding Matching Contributions are disregarded.*

12. Non-Elective Contributions

Non-Elective Contributions are permitted.

[X] Yes **[ ]** No

NOTE: *If "No", questions regarding Non-Elective Contributions are disregarded.*

13. Plan Features Effective Dates

a. **[ ]** There is a special effective date for one or more features specified in A.7 through A.12. The special effective date(s) which occur after the Effective Date specified in A.3 is/are: ___________

b. **[ ]** A previous plan amendment eliminated one or more of the features specified in A.7 through A.12. Specify any provisions that apply to the eliminated Plan features: ___________

NOTE: *The effective date for Elective Deferrals in A.13a cannot be earlier than the date the cash or deferral arrangement was adopted.*

Compensation

14. Statutory Compensation

a. Definition of Statutory Compensation (as defined in Article 2 of the Basic Plan Document):

i. **[ ]** Section 415 Compensation

ii. **[X]** W-2 Compensation

iii. **[ ]** Withholding Compensation

iv. **[ ]** Section 415 Safe Harbor Option

b. **[ ]** Include deemed Code section 125 compensation in definition of Statutory Compensation.

c. **[X]** Include Post Severance Compensation in definition of Statutory Compensation.

d. **[ ]** Include Post Year End Compensation in definition of Statutory Compensation.

15. Plan Compensation

a. Definition of Plan Compensation (as defined in Article 2 of the Basic Plan Document) for purposes of allocations will be Statutory Compensation with the following exclusions:

	Elective Deferrals	**Employer Match**	**Non-Elective**	**Voluntary / Mandatory**
a. No Exclusions	**[X]**	**[ ]**	**[X]**	**[ ]**
b. Pay earned before participation	n/a	**[ ]**	**[ ]**	**[ ]**
c. Amounts which are contributed by the Employer pursuant to a salary reduction agreement and not includible in the gross income of the Participant under Code sections 125, 402(e)(3), 402(h), 403(b), 132(f) or 457	**[ ]**	**[ ]**	**[ ]**	**[ ]**
d. All of the following benefits (even if includable in gross income): reimbursements or other expense allowances, fringe benefits (cash	**[ ]**	**[ ]**	**[ ]**	**[ ]**

and noncash), moving expenses, deferred compensation, and welfare benefits (Treas. Reg. section 1.414(s)-1(c)(3))				
e. Differential Wage Payments	**[ ]**	**[ ]**	**[ ]**	**[ ]**
f. Final Paycheck Pay	**[ ]**	**[ ]**	**[ ]**	**[ ]**
g. Post Severance Compensation	**[ ]**	**[ ]**	**[ ]**	**[ ]**
h. Post Year End Compensation	**[ ]**	**[ ]**	**[ ]**	**[ ]**

NOTE: *The definition of Plan Compensation for Elective Deferrals will apply for purposes of safe harbor contributions. See C.14 to include pay earned before participation for purposes of safe harbor contributions.*

NOTE: *Except for "Final Paycheck Pay," all of the above exclusions meet the safe harbor definition under Section 414(s) Compensation.*

b. **[ ]** Other adjustments to Plan Compensation (e.g., commissions, bonuses, etc.): __________

NOTE: *See Section 4.01(c) for rules regarding elections for bonuses or other special pay.*

NOTE: *If "Other adjustments" is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion. The description may not meet the safe harbor definition under Section 414(s) Compensation, resulting in the definition of Plan Compensation failing to qualify for any contribution safe harbors, such as the permitted disparity allocation or safe harbor contributions.*

c. Plan Compensation is determined over the period specified below ending with or within the Plan Year:

- **i.** **[X]** Plan Year
- **ii.** **[ ]** calendar year
- **iii.** **[ ]** Limitation Year
- **iv.** **[ ]** Plan Sponsor Fiscal Year
- **v.** **[ ]** Other 12-month period beginning on: __________(enter month and day)

Definitions

16. Highly Compensated Employee

a. **[ ]** Use top-paid group election in determining Highly Compensated Employees

b. **[ ]** Use calendar year beginning with or within the preceding Plan Year in determining Highly Compensated Employees

17. Disability

Definition of Disability

a. **[ ]** The Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment will be supported by medical evidence.

b. **[X]** Under the Social Security Act. The determination by the Social Security Administration that the Participant is eligible to receive disability benefits under the Social Security Act.

c. **[ ]** Inability to engage in comparable occupation. The Participant suffers from a physical or mental impairment that results in his inability to engage in any occupation comparable to that in which the Participant was engaged at the time of his disability. The permanence and degree of such impairment will be supported by medical evidence.

d. **[ ]** Pursuant to other adopting Eligible Employer Disability Plan. The Participant is eligible to receive benefits under an adopting Eligible Employer-sponsored disability plan.

e. **[ ]** Under uniform rules established by the Plan Administrator. The Participant is mentally or physically disabled under a written nondiscriminatory policy.

f. **[ ]** Other: __________

NOTE: *If "Other" is selected, the definition of Disability must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

18. Choice of Law

Name of state or commonwealth for choice of law (Section 13.05): California

B. ELIGIBILITY

Exclusions - Elective Deferrals

1. For purposes of Elective Deferrals, the term "Eligible Employee" will not include (select all that apply):

a. **[ ]** Employees whose maximum Elective Deferrals would not exceed $200.

b. **[ ]** Employees who are eligible to participate in an eligible governmental plan under section 457(b) that permits contributions or deferrals at the election of the employee.

c. **[ ]** Employees who are eligible to participate in a plan of the Employer offering a qualified cash or deferred election under Code section 401(k) or a contract described in Code section 403(b).

d. **[X]** Employees who are non-resident aliens described in Code section 410(b)(3)(C).

e. **[X]** Employees who are students performing services described in Code section 3121(b)(10).

f. **[X]** Employees who normally work fewer than 20 hours per week.

NOTE: *An Employee normally works fewer than 20 hours per week if, for the 12-month period beginning on the date the Employee's employment commenced, the Employer reasonably expects the Employee to work fewer than 1,000 hours of service (as defined under section 410(a)(3)(C) of the Code) in such period, and, for each Plan Year ending after the close of that 12-month period, the Employee has worked fewer than 1,000 hours of service in the preceding 12- month period. Under this provision, an Employee who works 1,000 or more hours of service in the 12-month period beginning on the date the Employee's employment commenced or in a Plan Year ending after the close of that 12- month period shall then be eligible to participate in the Plan. Once an Employee becomes eligible to have Elective Deferrals made on his or her behalf under the Plan under this standard, the Employee cannot be excluded from eligibility to have Elective Deferrals made on his or her behalf in any later year under this standard.*

NOTE: *If the Plan elects to exclude either Employees who are students performing services or Employees who normally work fewer than 20 hours per week and fail to exclude an Employee who falls into one of those excluded classes as of the date the Employee was incorrectly allowed to participate in the plan all other Employees who fall into the same excluded class must be permitted to participate in the Plan.*

Exclusions - Other Contributions

2. For purposes of the contributions specified below, the term "Eligible Employee" will not include:

	Voluntary Contributions	**Mandatory Contributions**	**Employer Match**	**Non-Elective**
a. No Exclusions	[ ]	[ ]	[ ]	[ ]
b. Union Employees	[ ]	[ ]	[ ]	[X]
c. Leased Employees	[ ]	[ ]	[ ]	[ ]
d. Non-Resident Alien	[ ]	[ ]	[ ]	[ ]
e. Other Employees (Section 3.06(a)): <u>Students and Employees who normally work less than 20 hours a week.</u>	[ ]	[ ]	[ ]	[X]

NOTE: *If "Other Employees" is selected, the definition provided must be objectively determinable and may not be based on age or length of service, create an indirect service requirement or be specified in a manner that is subject to adopting Eligible Employer discretion.*

Eligibility Service Rules

3. Other Employer Service

[ ] Count years of service with employers other than the Employer for eligibility purposes. List other employers and indicate for what purposes (e.g., Non-Elective, Matching, etc.) the service applies along with any limitations: ___________

4. Break in Service

a. **[ ]** Rule of parity. Exclude eligibility service before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance if an Employee does not have any nonforfeitable right to the Account balance derived from Employer contributions.

b. **[ ]** One-year holdout. If an Employee has a One-Year Break in Service/Period of Severance, exclude eligibility service before such period until the Employee has completed a Year of Eligibility Service after returning to employment with the Employer.

c. **[ ]** The following modifications will be made to the requirements specified in B.4a-b: ___________

NOTE: *B.4 applies for purposes of eligibility to receive Matching Contributions and Non-Elective Contributions only.*

5. Special Participation Date

a. **[ ]** Allow immediate participation for all Eligible Employees employed on a specific date. All Eligible Employees employed on ________ will become eligible to participate in the Plan as of ___________

b. **[ ]** The Plan provides conditions or limitations on immediate participation: ___________

NOTE: *Describe the conditions or limitations for what purposes (e.g., Non-Elective, Employer Matching, etc.) the conditions or limitations apply. The conditions/limitations must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

Eligibility - Other Contributions

6. Age Requirement

	Voluntary Contributions	Mandatory Contributions	Employer Match	Non-Elective
a. Age Requirement:	_________	_________	_________	0

NOTE: *Age 21 maximum; an age 26 maximum will apply for certain educational institution plans (Section 3.06).*

7. Service Requirement

	Voluntary Contributions	Mandatory Contributions	Employer Match	Non-Elective
a. No Minimum Service	[ ]	[ ]	[ ]	[ ]
b. Completion of one Year of Eligibility Service - Hours of Service necessary for a Year of Eligibility Service (not to exceed 1,000): ___________	[ ]	[ ]	[ ]	[ ]
c. Completion of one Year of Eligibility Service - Elapsed Time	[ ]	[ ]	[ ]	[ ]
d. Completion of ___________Hours of Service (not to exceed 1,000) within a 12-month period. The service requirement shall be deemed met at the time the specified number of Hours of Service are completed	[ ]	[ ]	[ ]	[ ]
e. Completion of ___________ month(s) of service - Elapsed Time (not to exceed 12)	[ ]	[ ]	[ ]	[ ]
f. Completion of ___________Hours of Service (not to exceed 1,000) in a ____ month period (not to exceed 12; hours of service failsafe applies)	[ ]	[ ]	[ ]	[ ]
g. Completion of consecutive _______ month(s) of continuous service (not to exceed 12; hours of service failsafe applies)	[ ]	[ ]	[ ]	[ ]
h. Completion of two (2) Years of Eligibility Service - Hours of Service (100% vesting required under Sections E.8 and E.9); Hours of Service necessary for a Year of Eligibility Service (not to exceed 1,000): _______	n/a	n/a	[ ]	[ ]
i. Completion of two (2) Years of Eligibility Service - Elapsed Time (100% vesting required under Sections E.8 and E.9)	n/a	n/a	[ ]	[X]
j. Other: ___________(hours of service failsafe applies if Elapsed Time is not specified)	[ ]	[ ]	[ ]	[ ]

k. Additional Requirements: ________	**[ ]**	**[ ]**	**[ ]**	**[ ]**

NOTE: *Service taken into account for purposes of B.7 will be determined under the terms and conditions specified for determining a Year of Eligibility Service.*

NOTE: *Hours of service failsafe: if B.7f, B.7g or B.7j is selected and the Plan uses the Hours of Service method, the service requirement under B.7 shall be deemed met no later than the end of an Eligibility Computation Period during which the Eligible Employee completes 1,000 Hours of Service; provided, that the individual is an Eligible Employee on the applicable entry date.*

NOTE: *If "Other" is selected, the service requirements provided must comply with Code section 410(a), be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

NOTE: *Any "Additional Requirements" provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion. For example, different service requirements for specified job classifications. A plan may not impose an eligibility condition that, on the surface, appears to be unrelated to age or service, but, in reality, is an age or service condition that violates the minimum age or service standards.*

l. Months of service (only applies if B.7f or B.7g is selected). If the service requirement is not met in the first consecutive period of months, describe the next service requirement:

- **i.** **[ ]** Rolling. Each period shall begin immediately after the preceding period and shall end on or before the first Eligibility Computation Period after which time the Plan will revert to 1,000 Hours of Service in an Eligibility Computation Period.
- **ii.** **[ ]** Revert to __________Hours of Service (not to exceed 1,000) in an Eligibility Computation Period.

NOTE: *The Employer has the discretion to apply the rolling periods in either an overlapping or consecutive manner. For example, if a three-month period is used, the overlapping method would look at hours worked from January through March, then February through April, etc. Conversely, a consecutive application would look at January through March, then April through June, etc.*

8. Entry Dates

	Elective Deferrals	**Voluntary / Mandatory**	**Employer Match**	**Non-Elective**
a. Immediate	**[X]**	**[ ]**	**[ ]**	**[X]**
b. First day of each payroll period	**[ ]**	**[ ]**	**[ ]**	**[ ]**
c. First day of the calendar month	**[ ]**	**[ ]**	**[ ]**	**[ ]**
d. First day of each Plan quarter	**n/a**	**[ ]**	**[ ]**	**[ ]**
e. First day of the first month and seventh month of the Plan Year	**n/a**	**[ ]**	**[ ]**	**[ ]**
f. First day of the Plan Year	**n/a**	**[ ]**	**[ ]**	**[ ]**
g. Other: __________	**[ ]**	**[ ]**	**[ ]**	**[ ]**

NOTE: *Under the universal availability rules an Eligible Employee must enter the Plan as soon as administratively feasible following their hire date (no more than 60 days following date of hire).*

NOTE: *The Plan must provide that an Eligible Employee who has attained age 21 and who has completed one Year of Eligibility Service shall commence participation in the Plan no later than the earlier of: (1) the first day of the first Plan Year beginning after the date on which such Eligible Employee satisfied such requirements; or (2) the date that is 6 months after the date on which he satisfied such requirements.*

9. Timing of Entry Dates

An Eligible Employee shall become a Participant on the entry date that is:

	Elective Deferrals	**Voluntary / Mandatory**	**Employer Match**	**Non-Elective**
a. Coincident with or next following the date the eligibility requirements are met	**[ ]**	**[ ]**	**[ ]**	**[ ]**
b. Next following the date the eligibility requirements are met	**[ ]**	**[ ]**	**[ ]**	**[ ]**
c. Coincident with or immediately preceding the date the eligibility requirements are met	**n/a**	**n/a**	**[ ]**	**[ ]**
d. Immediately preceding the date the eligibility requirements are met	**n/a**	**n/a**	**[ ]**	**[ ]**
e. Nearest to the date the eligibility requirements are met	**n/a**	**n/a**	**[ ]**	**[ ]**

NOTE: *The combination of B.8 and B.9 must meet the requirements of ERISA section 202(a). For instance, B.8f ("First day of the Plan Year") may not be selected with B.9a ("coincident with or next following") if two Years of Service is required under B.7.*
NOTE: *If immediate entry (B.8a) is selected, an Eligible Employee shall become a Participant eligible for the applicable contribution source(s) immediately upon meeting the eligibility requirements.*

10. Additional requirements, limitations, conditions, or other modifications to B.7 - B.9 (e.g., Participants part of a collectively bargained for agreement will be immediately eligible for Elective Deferrals and will enter the Plan for that purpose on their date of hire.):

[ ] Voluntary Contributions
Other: __________

[ ] Mandatory After-Tax Contributions
Other: __________

[ ] Mandatory Pre-Tax Contributions
Other: __________

[ ] Safe Harbor Contributions
Other: __________

[ ] Matching Contributions
Other: __________

[ ] Non-Elective Contributions
Other: __________

NOTE: *The additional requirements, limitations, conditions, or other modifications specified above (B.10) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

11. Eligibility Service Computation Rules

a. Eligibility service computation method.

i. **[ ]** Hours of Service

A. **[ ]** Eligibility Computation Period will switch to Plan Year

B. **[ ]** Eligibility Computation Period will remain based on anniversary of date of hire

ii. **[X]** Elapsed Time

NOTE: *B.11.a.ii can only be chosen if B.7c, B.7e, B.7g, or B.7i (without an hours requirement specified) is chosen.*

b. Select hours equivalency for eligibility purposes:

i. **[ ]** None

An Employee will be credited with the following service with the Employer:

ii. **[ ]** 10 Hours of Service for each day or partial day

iii. **[ ]** 45 Hours of Service for each week or partial week

iv. **[ ]** 95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period

v. **[ ]** 190 Hours of Service for each month or partial month

c. The hours equivalency will apply to:

i. **[ ]** All Employees

ii. **[ ]** Only Employees for whom hours are not tracked. If the Employer tracks hours for an Employee, Eligibility will be determined on actual hours worked.

d. **[ ]** The following modifications will be made to the requirements specified in B.11a-c: __________

NOTE: *B.11c will not apply if B.11b.i is selected ("None").*
NOTE: *The responses to B.11 are used only to the extent that the Plan determines eligibility service by the Hour of Service method and will apply uniformly to B.7 wherever Hours of Service is elected unless otherwise provided in B.11d.*
NOTE: *If B.11d is selected, the modifications must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion. For example, B.11d could be used to restrict the Accounts where Eligibility Computation Periods switch to the Plan Year.*

C. ELECTIVE DEFERRALS, SAFE HARBOR, VOLUNTARY, AND MANDATORY CONTRIBUTIONS

Elective Deferrals

NOTE: *If A.7 is "Yes" (Elective Deferrals are permitted), an Eligible Employee will be eligible to make Elective Deferrals to the Plan in the following manner:*

1. Maximum Deferral Amounts

a. **[ ]** The Plan will impose a minimum Elective Deferral of: __________

b. **[ ]** The Plan will impose a maximum Elective Deferral of: __________

c. **[ ]** Other limitations on Elective Deferrals (specify): __________

NOTE: *If C.12a.i (safe harbor match) or C.12.iv (QACA match) is selected, C.1a and C.1b may not be used to limit deferrals by Nonhighly Compensated Employees.*

NOTE: *If C.12a.i (safe harbor match) or C.12.iv (QACA match) is selected, C.1c may not be used to limit deferrals by Nonhighly Compensated Employees. Further, any limitations provided must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

2. Modifications of Elective Deferrals

a. Participants may modify/start/stop Elective Deferrals/Voluntary Contribution elections:

i. **[X]** Each pay period

ii. **[ ]** Monthly

iii. **[ ]** Quarterly

iv. **[ ]** Semi Annually

v. **[ ]** Annually

vi. **[ ]** Pursuant to Plan Administrator procedures (at least once each calendar year)

b. **[X]** Participants may stop an election to contribute at any time.

3. Catch-up Contributions

a. **[X]** Participants may make Age Restricted Catch-up Contributions (Section 5.01(c)).

b. **[X]** Participants with fifteen years of service may make Special Long Service Catch-up Contributions (Section 5.01(b)).

Automatic Enrollment

4. The Plan has Automatic Enrollment provisions intended to satisfy:

a. **[X]** None

b. **[ ]** ACA

i. **[ ]** The automatic enrollment provisions shall be set according to a written administrative policy which is timely communicated to Participants so they have an effective opportunity to elect to receive cash or complete an affirmative election deferring a different amount or no amount.

c. **[ ]** EACA

d. **[ ]** QACA

NOTE: *If the plan is intended to satisfy the QACA provisions, the applicable EACA provisions will be made available.*

5. Automatic Enrollment Application

Indicate which employees will be subject to the automatic enrollment provisions of the Plan:

a. **[ ]** Only Participants whose Plan entry date is on or after: __________

b. **[ ]** All Participants without an existing affirmative election (an affirmative election includes an election not to defer into the Plan)

c. **[ ]** All Participants without an existing affirmative election or whose affirmative election is less than the automatic enrollment amount

d. **[ ]** Other: __________

NOTE: *If C.5a is selected and the plan is intended to satisfy the EACA requirements (C.4c is selected), the plan cannot use the extended 6-month period to distribute excess aggregate contributions to correct failed ACP test.*

NOTE: *If C.12a.iv (QACA match) or C.12a.v or C.12a.vi (QACA non-elective) is selected, C.5a may not be selected. Automatic enrollment must apply to all Participants eligible for the safe harbor contribution unless the Participant has an election in place.*

NOTE: *If C.12a.iv (QACA match) or C.12a.v or C.12a.vi (QACA non-elective) is selected, the rate of Elective Deferral contributions in effect for an Employee immediately prior to the effective date of the default percentage under the qualified automatic contribution arrangement shall not be reduced.*

NOTE: *If "Other" is selected, the description must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

6. Covered Employees - EACA

Indicate which Employees will be "covered Employees" who are subject to the automatic contribution arrangement:

a. **[ ]** All Employees who make an affirmative election shall remain covered Employees within the meaning of Treas. Reg. section 1.414(w)-1(e)(3)

b. **[ ]** Only Eligible Employees who have not made an Elective Deferral election

NOTE: *Covered Employees must receive the notice described in Section 4.01(g)(1).*
NOTE: *A plan intending to satisfy the EACA requirements must cover all eligible employees (C.6a) to be eligible for the extended 6-month period to distribute excess aggregate contributions to correct failed ACP test.*

7. Initial Automatic Enrollment Amount (ACA and EACA)

a. The initial amount of the automatic enrollment (as a percentage of pay): __________%

b. [ ] The automatic enrollment deferral percentage will increase by __________% according to the schedule in C.9.

i. The maximum automatic enrollment deferral percentage is: __________%

c. [ ] Delayed automatic enrollment. The traditional automatic enrollment will be deemed elected __________after the initial satisfaction of the eligibility requirements of Article 3 with respect to Elective Deferrals (and after effective date of the addition of an automatic enrollment feature for current Participants).

NOTE: *If C.4c is selected (EACA), the Plan must provide that the initial default contribution is a uniform percentage of Plan Compensation; although, the percentage may vary based on years of service.*
NOTE: *C.7c may only be used with a plan intending to satisfy the ACA requirements.*

8. QACA Safe Harbor Automatic Enrollment Amounts (Section 4.01(g)(2))

a. Enter the amount of the automatic election for the Initial Period as a percentage of Plan Compensation (between 3 - 10%): __________%

b. Enter the amount of the election for the first year after the Initial Period as a percentage of Plan Compensation (between 4 - 15%): _____ %

c. Enter the amount of the election for the second year after the Initial Period as a percentage of Plan Compensation (between 5 - 15%): ___ %

d. Enter the amount of the election for the third year after the Initial Period as a percentage of Plan Compensation (between 6 - 15%): _____ %

e. [ ] The amount of the election increases after the third year in the following manner (must be at least 6%): __________

NOTE: *C.8 only applies if C.12a.iv or C.12a.v is selected (Qualified Automatic Contribution Arrangement).*
NOTE: *Plan Compensation, as reflected in C.8 was limited to a 10% ceiling for Plan Years prior to 01/01/2020. For Plan Years after 12/31/2019, Plan Compensation was increased to 15%.*

9. Application of Increase Provisions

a. The first deferral rate increase will occur on:

i. [ ] The first day of the second Plan Year following the Plan Year during which the initial automatic enrollment became effective.

ii. [ ] The first day of the __________Plan Year following the Plan Year during which the initial automatic enrollment became effective.

iii. [ ] Other: __________

b. Subsequent deferral increases will occur:

i. [ ] The first day of each Plan Year

ii. [ ] The anniversary of the Participant's initial automatic enrollment

iii. [ ] The anniversary of the Participant's date of hire

iv. [ ] Other: __________

NOTE: *If C.9a.ii is selected and the plan is intended to satisfy the QACA requirements, the plan may not delay the first deferral rate increase beyond the first day of the second Plan Year following the Plan Year during which the initial automatic enrollment became effective.*
NOTE: *C.9b.iv may not be used with a plan intending to satisfy the EACA or QACA requirements.*
NOTE: *If the Plan is intended to satisfy the QACA requirements, the provisions of C.8 and C.9 must be used together in such a way that the both the automatic enrollment percentages and the schedule of deferral increases satisfy the minimum requirements.*

10. Permissible Withdrawals - EACA/QACA

[ ] Permissible withdrawals will be allowed provided they are requested within 90 days after the first automatic deferral (no fewer than 30 or more than 90 days)

11. Deferral Contribution Source

If the Plan provides for automatic enrollment and Roth contributions are allowed, select the default type of automatic contributions:

a. [ ] Pre-tax. All Elective Deferrals made under Section 4.01(g) shall be designated as Pre-tax Elective Deferrals.

b. [ ] Roth. All Elective Deferrals made under Section 4.01(g) shall be designated as Roth Elective Deferrals.

NOTE: *C.11 only applies if A.7b is "Yes" (Roth contributions are allowed in the Plan).*

Safe Harbor Contributions

NOTE: *If A.10 is "Yes", an Eligible Employee who has met the requirements of Section B and who has satisfied the following requirements will be eligible to receive an allocation of Safe Harbor Contributions during the applicable Plan Year.*

12. Safe Harbor Plan

a. Is this a safe-harbor plan exempt from most testing:

i. **[ ]** Yes - Safe Harbor Matching Contribution

ii. **[ ]** Yes - Safe Harbor Non-Elective Contribution, not less than __________% of Plan Compensation

iii. **[ ]** Yes - Safe Harbor Non-Elective Contribution, not less than __________% of Plan Compensation but only if the Plan Sponsor provides a follow-up notice

iv. **[ ]** Yes - QACA Matching Contribution

v. **[ ]** Yes - QACA Non-Elective Contribution not less than __________% of Plan Compensation

vi. **[ ]** Yes - QACA Non-Elective Contribution not less than __________% of Plan Compensation but only if the Plan Sponsor provides a follow-up notice

b. **[ ]** The safe harbor provisions are effective: __________

c. **[ ]** Safe Harbor Contributions will be made to the following plan: __________

NOTE: *If Safe Harbor Non-Elective Contribution is selected (C.12a.ii, C.12a.iii, C.12a.v or C.12a.vi), the non-elective contribution amount must be at least 3% of Plan Compensation.*

NOTE: *If Safe Harbor Non-Elective Contribution (C.12a.ii or C.12a.v) is selected, see Section 4.05(a)(1). If Safe Harbor Non-Elective Contribution with follow-up notice (C.12a.iii or C.12a.vi) is selected, see 4.05(a)(2).*

NOTE: *If Safe Harbor Non-Elective contribution with follow-up notice (C.12a.iii or C.12a.vi) is selected and the follow-up notice is not given for an applicable Plan Year, the Plan will not be subject to any of the conditions or limitations that apply to Safe Harbor Contributions and the Plan will be subject to the nondiscrimination requirements of Section 5.02 (Section 4.05(a)(2)).*

NOTE: *If QACA Safe Harbor Contribution (C.12a.iv, C.12a.v or C.12a.vi) is selected, see C.8 for the automatic contribution amounts.*

NOTE: *If Safe Harbor Matching Contribution is selected (C.12a.i or C.12a.iv), see C.15 for the formula and Section 4.05(a)(1).*

NOTE: *If C.12c is selected, see Section 4.05(b) for requirements.*

13. ACP Safe Harbor Eligibility

a. Exclusions. For purposes of safe harbor contributions, the term "Eligible Employee" shall not include

i. **[ ]** No exclusions

ii. **[ ]** Participants who are Highly Compensated Employees

iii. **[ ]** Participants who are considered both a Key Employee and a Highly Compensated Employee

iv. **[ ]** Other exclusions: __________

b. Eligibility conditions for safe harbor contributions (may require testing in accordance with Section 5.02(e))

i. **[ ]** None.

ii. **[ ]** Safe harbor eligibility conditions follow the conditions established for:

A. **[ ]** Elective Deferrals

B. **[ ]** Employer Match

C. **[ ]** Non-Elective

iii. **[ ]** The following age, service and entry date requirements (must satisfy requirements under Code section 410(a)(1)(A)): ______

iv. **[ ]** Participants who have met the greatest minimum age and service conditions permitted under Code section 410(a)(1)(A) with semi-annual entry dates (first day of the first month and seventh month of the Plan Year)

v. **[ ]** Participants who have met the greatest minimum age and service conditions permitted under Code section 410(a)(1)(A) before the first day of the seventh month of the Plan Year

c. Allocation requirements for Highly Compensated Employees

i. **[ ]** Require service for Highly Compensated Employees to receive a safe harbor contribution. Hours of Service required in the applicable Plan Year for Highly Compensated Employees to receive a safe harbor contribution (not to exceed 1,000): __________

ii. **[ ]** Require employment on the last day of Plan Year for Highly Compensated Employees to receive a safe harbor contribution

d. **[ ]** Employer contributions will be offset by safe harbor contributions

NOTE: *Any exclusion selected in C.13a is in addition to the exclusions under B.2. If "No exclusions" is selected, any exclusion in B.2 will still apply to the applicable contribution type.*

NOTE: *If C.13a.ii is selected, the Employer may still elect to make a discretionary safe harbor contribution to Highly Compensated Employees in a percentage that does not exceed the amount or rate of contribution provided to Nonhighly Compensated Employees.*

14. ACP Safe Harbor Compensation

[ ] Pay earned before participation is included in the definition of Plan Compensation for purposes of safe harbor contributions.

15. Safe Harbor Matching Contribution Formula

If C.12a.i or C.12a.iv is selected, the safe harbor matching formula will be:

a. **[ ]** Single rate. The Employer will contribute an amount equal to:
- **i.** __________% of the Participant's Matched Employee Contributions that are not in excess of
- **ii.** __________% of the Participant's Compensation

b. **[ ]** Two rates. The Employer will contribute an amount equal to

Rate One
- **i.** __________% of the Participant's Matched Employee Contributions that are not in excess of
- **ii.** __________% of the Participant's Compensation

Rate Two
- **iii.** __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
- **iv.** __________% of the Participant's Compensation

c. **[ ]** Three rates. The Employer will contribute an amount equal to

Rate One
- **i.** __________% of the Participant's Matched Employee Contributions that are not in excess of
- **ii.** __________% of the Participant's Compensation

Rate Two
- **iii.** __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
- **iv.** __________% of the Participant's Compensation

Rate Three
- **v.** __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
- **vi.** __________% of the Participant's Compensation

NOTE: *No Highly Compensated Employee can receive a greater rate of safe harbor match than a Nonhighly Compensated Employee at the same rate of Matched Employee Contributions.*

NOTE: *An Employer Matching Contribution of a Nonhighly Compensated Employee will not be taken into account in satisfying the requirements of Section 5.02 to the extent it is a disproportionate contribution within the meaning of Treas. Reg. section 1.401(m)-2(a)(5).*

NOTE: *If the Plan is a safe harbor match (C.12a.i is selected) the formula must be completed so that it at least meets the following minimum formula: the Employer will contribute as a safe harbor match an amount equal to 100% of the Participant's Matched Employee Contributions that are not in excess of 3% of the Participant's Plan Compensation; plus 50% of the amount of the Participant's Matched Employee Contributions that exceed 3% but that do not exceed 5% of the Participant's Plan Compensation. The Employer may also elect a safe harbor match formula where: (i) the aggregate amount of safe harbor match at each rate of Matched Employee Contributions is at least equal to the aggregate amount of safe harbor match which would have been made if the safe harbor match were made under the formula described in the applicable preceding sentences, and (ii) the rate of safe harbor match cannot increase as a Participant's Matched Employee Contributions increase.*

NOTE: *If C.12a.iv (QACA match) is selected, the formula must be completed so that it at least meets the following minimum formula: the Employer will contribute as a QACA match an amount equal to 100% of the Participant's Matched Employee Contributions that are not in excess of 1% of the Participant's Plan Compensation; plus 50% of the amount of the Participant's Matched Employee Contributions that exceed 1% but that do not exceed 6% of the Participant's Plan Compensation. The Employer may also elect a QACA match formula where: (i) the aggregate amount of QACA match at each rate of Matched Employee Contributions is at least equal to the aggregate amount of QACA match which would have been made if the QACA match were made under the formula described in the applicable preceding sentences, and (ii) the rate of QACA match cannot increase as a Participant's Matched Employee Contributions increase.*

NOTE: *If the Plan is intended to satisfy the ACP safe harbor of Code section 401(m)(11) or 401(m)(12): (i) the rate of safe harbor match cannot increase as a Participant's Matched Employee Contributions increase, (ii) safe harbor match cannot be made on Matched Employee Contributions in excess of six percent (6%) of Plan Compensation, and (iii) the amount of Employer Matching Contributions subject to Employer discretion shall not exceed four percent (4%) of Plan Compensation.*

NOTE: *If the Plan is a safe harbor match (C.12a.i or C.12a.iv is selected) or the Plan is an ACP safe harbor, no Highly Compensated Employee can receive a greater rate of safe harbor match than a Nonhighly Compensated Employee at the same rate of Matched Employee Contributions.*

16. Determination Period for Safe Harbor Matching Contributions

a. The period for determining the amount of an allocation of Safe Harbor Matching Contributions is:
- **i.** **[ ]** End of Plan Year
- **ii.** **[ ]** Semi-annually
- **iii.** **[ ]** Quarterly

iv. **[ ]** Each calendar month
v. **[ ]** Each pay period
NOTE: *If the safe harbor match is funded more frequently than the period selected, a true-up contribution will be owed to any Participant who did not receive a safe harbor match based on Matched Employee Contributions or Plan Compensation for the entire period selected.*

Voluntary Contributions

NOTE: *If A.8 is "Yes", an Eligible Employee who has met the requirements specified for Voluntary Contributions will be eligible to make Voluntary Contributions to the Plan as follows (Section 4.01):*

17. Minimum and Maximum Voluntary Contributions
a. Minimum Voluntary Contribution: __________
b. Maximum Voluntary Contribution: __________
c. Maximum of total combined Elective Deferral/Voluntary Contribution: __________
d. Other limitations: __________
NOTE: *C.17b and C.17c may not be more than 100% of Compensation.*
NOTE: *If C.17d is selected, the requirements provided must be nondiscriminatory, objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

Mandatory Contributions

NOTE: *If A.9 is "Yes" (Mandatory Contributions are permitted), an Eligible Employee who has met the requirements specified for Mandatory Contributions will be eligible to make Mandatory Contributions to the Plan as follows (Section 4.01):*

18. Mandatory Contribution Amount
a. **[ ]** Mandatory After-Tax Contributions will be required in the following amount with the following limitations: __________
b. **[ ]** Mandatory Pre-Tax Contributions will be required in the following amount with the following limitations: __________

Testing Elections

19. ACP Testing Elections
a. Average Contribution Percentage of Non-Highly Compensated Employees are determined using:
i. **[ ]** Current year
ii. **[ ]** Prior year
b. If prior year testing is selected, for the first year the Plan has matching contributions, the Non-Highly Compensated Employee percentage:
i. **[ ]** 3%
ii. **[ ]** Current year percentages
NOTE: *If the Plan is an actual contribution percentage (ACP) safe harbor plan, then the current year must be used for those Plan Years during which the Plan is subject to the ACP safe harbor requirements.*
NOTE: *C.19b only applies for the first year the Plan has matching contributions. If the Effective Date is after the first year a Plan has matching contributions, C.19b can be left blank.*

D. MATCHING, NON-ELECTIVE, AND OTHER CONTRIBUTIONS

Employer Matching - Allocation Requirements

NOTE: *If A.11 is "Yes" (Employer Matching Contributions are permitted), an Eligible Employee who has met the requirements of Section B and who has satisfied the following requirements will be eligible to receive an allocation of Matching Contributions during the applicable Plan Year.*

1. Allocation Requirements for Employer Matching Contributions In order to share in the allocation of Employer Matching Contributions, a Participant is required to:
a. **[ ]** Complete __________Hours of Service in the applicable period (not to exceed 1,000 hours in a Plan Year or a prorated version thereof)
b. **[ ]** Be employed by the adopting Eligible Employer on the last day of the applicable period

c. **[ ]** Be employed by the adopting Eligible Employer on the last day of the applicable period or complete at least __________Hours of Service in the applicable period (not to exceed 1,000 hours in a Plan Year or a prorated version thereof)

d. **[ ]** None

2. **Applicable Period**

a. The applicable period for determining the satisfaction of service requirements for an allocation of Employer Matching Contributions is:

i. **[ ]** Plan Year

ii. **[ ]** Plan Quarter

iii. **[ ]** Calendar Month

iv. **[ ]** Payroll Period

v. **[ ]** Other: __________

3. **Matching Allocation Computation Rules**

a. Select hours equivalency:

i. **[ ]** None

An Employee will be credited with the following service with the Employer:

ii. **[ ]** 10 Hours of Service for each day or partial day

iii. **[ ]** 45 Hours of Service for each week or partial week

iv. **[ ]** 95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period

v. **[ ]** 190 Hours of Service for each month or partial month

b. The hours equivalency will apply to:

i. **[ ]** All Employees

ii. **[ ]** Only Employees for whom hours are not tracked. If the Employer tracks hours for an Employee, satisfaction of allocation conditions will be determined based on actual hours worked.

NOTE: *D.3 is only applicable if D.1a or D.1c is selected.*

4. **Other Employer Service**

[ ] Count hours of service with employers other than the Employer for purposes of satisfying the allocation service requirements. List other employer(s) along with any limitations: __________

5. **Exceptions to Allocation Requirements for Matching Contributions**

a. **[ ]** A Participant whose employment terminates on the last day of the applicable period is treated as being employed by the Employer on the last day of the applicable period.

b. Modify Hour of Service requirement or last day requirement for a Participant who terminates employment with the Employer during the applicable period due to:

i. **[ ]** death

ii. **[ ]** Disability

iii. **[ ]** attainment of Normal Retirement Age

iv. **[ ]** attainment of Early Retirement Age

c. Any Hour of Service requirement and last day requirement will be modified as follows:

i. **[ ]** Waive both the Hour of Service requirement and last day requirement

ii. **[ ]** Waive the Hour of Service requirement only

iii. **[ ]** Waive last day requirement only

d. **[ ]** The following other modifications will be made to the requirements specified in D.1-5b: __________

6. **Coverage Failures for Employer Matching Contributions**

Method to fix Employer Matching Contributions Code section 410(b) ratio percentage coverage failures:

a. **[ ]** Corrective amendment under Treasury Regulation section 1.401(a)(4)-(11)(g)

b. **[ ]** Add just enough Participants to meet the coverage requirements

c. **[ ]** Add all non-excludable Participants

Matching - Formula

7. **Matched Employee Contribution Inclusions**

The adopting Eligible Employer definition of Matched Employee Contribution includes:

a. **[ ]** Elective Deferrals

b. **[ ]** Age Restricted Catch-up Contributions

c. **[ ]** Special Long Service Catch-up Contributions

d. **[ ]** Roth Elective Deferrals
e. **[ ]** Voluntary Contributions
f. **[ ]** Mandatory After-Tax Contributions
g. **[ ]** Mandatory Pre-Tax Contributions
h. **[ ]** Other (e.g., Elective Deferrals made to Company 403(b) Plan #1): __________

NOTE: *If "Other" is selected, the description must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

8. Matching Contribution Formula

a. **[ ]** A discretionary amount. The amount will be allocated:
i. **[ ]** as a uniform percentage of Matched Employee Contributions.
ii. **[ ]** as a flat dollar amount for each Participant.

b. **[ ]** Single rate. The adopting Eligible Employer will contribute as an Employer Matching Contribution an amount equal to:

Rate One
i. __________% of the Participant's Matched Employee Contributions that are not in excess of
ii. __________% of the Participant's Plan Compensation

c. **[ ]** Two rates. The Employer will contribute as an Employer Matching Contribution an amount equal to:

Rate One
i. __________% of the Participant's Matched Employee Contributions that are not in excess of
ii. __________% of the Participant's Plan Compensation; plus

Rate Two
iii. __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
iv. __________% of the Participant's Plan Compensation

d. **[ ]** Three rates. The Employer will contribute as an Employer Matching Contribution an amount equal to:

Rate One
i. __________% of the Participant's Matched Employee Contributions that are not in excess of
ii. __________% of the Participant's Plan Compensation; plus

Rate Two
iii. __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
iv. __________% of the Participant's Plan Compensation; plus

Rate Three
v. __________% of the amount of the Participant's Matched Employee Contributions that exceed __________% of the Participant's Plan Compensation but that do not exceed
vi. __________% of the Participant's Plan Compensation

e. **[ ]** Years of service according to the schedule in D.11.
f. **[ ]** Special schedule. Matching Contributions shall be made according to the following fixed schedule: __________

NOTE: *The discretionary formula in D.8a must meet the nondiscrimination requirements regarding benefits, rights, or features described in Treas. Reg. section 1.401(a)(4)-4.*

NOTE: *If "Special schedule" is selected, the schedule must describe a formula from the options already available or a combination thereof (e.g., single rate formula applies to Group A; two rate formula applies to Group B), be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

9. Additional Discretionary Matching Contributions

[ ] Permit discretionary Matching Contributions to be made in addition to the contributions described in D.8b-d. The amount will be allocated:
a. **[ ]** as a uniform percentage of Matched Employee Contributions.
b. **[ ]** as a flat dollar amount for each Participant.

10. Additional Fixed Employer Matching Contributions

[ ] Permit additional fixed Employer Matching Contributions to be made in addition to the contributions described in D.8b-d: __________

NOTE: *The formula entered in D.10 must describe a formula from the options already available or a combination thereof (e.g., single rate formula applies to Group A; two rate formula applies to Group B), be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

11. Years of Service

a. **[ ]** The Matching contribution will be made according to the schedule below:

- **i.** __________Years of service __________% of Matched Employee Contributions.
- **ii.** __________Years of service __________% of Matched Employee Contributions.
- **iii.** __________Years of service __________% of Matched Employee Contributions.
- **iv.** __________Years of service __________% of Matched Employee Contributions.

b. **[ ]** Only Matched Employee Contributions that are not in excess of __________% of the Participant's Plan Compensation will be matched.

c. In determining years of service in this D.11, the following service will be used:
- **i.** **[ ]** Years of Eligibility Service
- **ii.** **[ ]** Years of Vesting Service

d. Enter the number of Hours of Service necessary to earn a year of service described in D.11a: __________

NOTE: *Each tier of Employer Matching Contributions must satisfy the nondiscriminatory availability of benefits, rights, and features in Treas. Reg. section 1.401(a)(4)-4.*

12. Employer Matching Contributions - Limitations

a. Plan limits Matching Contributions to the following in each Plan Year:
- **i.** **[ ]** Maximum percentage of Plan Compensation that applies to all Participants: __________%
- **ii.** **[ ]** Maximum percentage of Plan Compensation that applies to Highly Compensated Employees only: __________%
- **iii.** **[ ]** Maximum dollar amount that applies to all Participants: $__________
- **iv.** **[ ]** Maximum dollar amount that applies to Highly Compensated Employees only: $__________
- **v.** **[ ]** Other: __________
- **vi.** **[ ]** No Maximum

b. Apply the dollar limit in D.12:
- **i.** **[ ]** On a Plan Year basis only
- **ii.** **[ ]** Pro rata as of each period specified in D.13a

NOTE: *Plan limits specified in D.12a.i or D.12a.ii apply in addition to selections made in D.8b - D.8d if applicable.*
NOTE: *If "Other" is selected the requirements provided must be nondiscriminatory, objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*
NOTE: *D.12b shall only apply if a maximum dollar amount (D.12a.iii or D.12a.iv) is selected and "End of Plan Year" (D.13a.i) is not selected.*

13. Determination Period for Employer Matching Contributions

a. The period for determining the amount of an allocation of Employer Matching Contributions is:
- **i.** **[ ]** End of Plan Year
- **ii.** **[ ]** Semi-annually
- **iii.** **[ ]** Quarterly
- **iv.** **[ ]** Each calendar month
- **v.** **[ ]** Each pay period

NOTE: *The determination period elected in D.13 must be equal to or longer than the applicable period elected in D.2.*
NOTE: *Discretionary Matching Contributions (if selected) may be allocated at a time other than that selected in D.13.*
NOTE: *See Section 4.02(b)(1) for rules relating to "true-up" Matching Contributions.*

Non-Elective - Allocation Requirements

NOTE: *If A.12 is "Yes" (Non-Elective Contributions are permitted), an Eligible Employee who has met the requirements of Section B and who has satisfied the following requirements will be eligible to receive an allocation of Non-Elective Contributions during the applicable Plan Year.*

14. Allocation Requirements for Non-Elective Contributions In order to share in the allocation of Non-Elective Contributions, a Participant is required to:

a. **[ ]** Complete __________Hours of Service in the applicable period (not to exceed 1,000 hours in a Plan Year or a prorated version thereof)

b. **[ ]** Be employed by the adopting Eligible Employer on the last day of the applicable period

c. **[ ]** Be employed by the adopting Eligible Employer on the last day of the applicable period or complete at least __________Hours of Service in the applicable period (not to exceed 1,000 hours in a Plan Year or a prorated version thereof)

d. **[X]** None

15. Applicable Period

a. The applicable period for determining the satisfaction of service requirements for an allocation of Non-Elective Contributions is:
- **i.** **[ ]** Plan Year
- **ii.** **[ ]** Plan Quarter

- **iii.** **[ ]** Calendar Month
- **iv.** **[ ]** Payroll Period
- **v.** **[ ]** Other: __________

16. Non-Elective Allocation Computation Rules

a. Select hours equivalency:

- **i.** **[ ]** None

An Employee will be credited with the following service with the Employer:

- **ii.** **[ ]** 10 Hours of Service for each day or partial day
- **iii.** **[ ]** 45 Hours of Service for each week or partial week
- **iv.** **[ ]** 95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period
- **v.** **[ ]** 190 Hours of Service for each month or partial month

b. The hours equivalency will apply to:

- **i.** **[ ]** All Employees
- **ii.** **[ ]** Only Employees for whom hours are not tracked. If the Employer tracks hours for an Employee, satisfaction of allocation conditions will be determined based on actual hours worked.

17. Other Employer Service

[ ] Count hours of service with employers other than the Employer for purposes of satisfying the allocation service requirements. List other employer(s) along with any limitations: __________

18. Exceptions to Allocation Requirements for Non-Elective Contributions

a. **[ ]** A Participant whose employment terminates on the last day of the applicable period is treated as being employed by the Employer on the last day of the applicable period.

b. Modify Hour of Service requirement or last day requirement for a Participant who terminates employment with the Employer during the applicable period due to:

- **i.** **[ ]** death
- **ii.** **[ ]** Disability
- **iii.** **[ ]** attainment of Normal Retirement Age
- **iv.** **[ ]** attainment of Early Retirement Age

c. Any Hour of Service requirement and last day requirement will be modified as follows:

- **i.** **[ ]** Waive both the Hour of Service requirement and last day requirement
- **ii.** **[ ]** Waive the Hour of Service requirement only
- **iii.** **[ ]** Waive last day requirement only

d. **[ ]** The following other modifications will be made to the requirements specified in D.14-18c: __________

NOTE: *Other modifications must be specified in a manner that is objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

19. Coverage Failures for Non-Elective Contributions

Method to fix Non-Elective Contribution Code section 410(b) ratio percentage coverage failures:

- **a.** **[ ]** Corrective amendment under Treasury Regulation section 1.401(a)(4)-(11)(g)
- **b.** **[X]** Add just enough Participants to meet the coverage requirements
- **c.** **[ ]** Add all non-excludable Participants

Non-Elective - Formula

20. Amount of Non-Elective Contributions

- **a.** **[X]** Discretionary in an amount as determined by the adopting Eligible Employer
- **b.** **[ ]** __________% of total Participant Plan Compensation for the Plan Year
- **c.** **[ ]** $__________for the Plan Year
- **d.** **[ ]** Other amount necessary to fund the allocation provided below: __________

21. Non-Elective Contribution allocation formula

The adopting Eligible Employer Non-Elective Contributions will be allocated to eligible Participants who have met the requirements of Section B and D.14 - 16 as follows (Section 4.03):

- **a.** **[ ]** Pro rata. In the ratio that each Participant's Plan Compensation bears to the Plan Compensation of all eligible Participants.
- **b.** **[ ]** Integrated. See D.22.
- **c.** **[ ]** Points. See D.23.

d. **[ ]** Fixed Amount. In an amount equal to the total Non-Elective Contribution divided by the number of Participants eligible to share in such contribution.

e. **[ ]** Age Weighted. In the ratio that such Participant's points bears to the points of all eligible Participants for such Plan Year. The points awarded to each Participant will be equal to the product of the Participant's Plan Compensation multiplied by the factor in the Age Weighted Addendum determined using the Participant's age as of the end of the Plan Year.

f. **[ ]** New Comparability - Defined Groups. See D.24.

g. **[X]** New Comparability - One Group per Participant. In an amount designated by the adopting Eligible Employer to be allocated to each group. For purposes of this D.21g, there will be one group created for each Participant eligible to receive allocations of Non-Elective Contributions. The contribution will be allocated to each group in a manner determined by the adopting Eligible Employer. The amount allocated to one group need not bear any relationship to amounts allocated to any other group. The adopting Eligible Employer will notify the Plan Administrator or the Custodian in writing of the amount of contributions allocated to each group.

h. **[ ]** Other fixed formula: __________

NOTE: *If Age Weighted (D.21e) or New Comparability (D.21f or D.21g) is selected, see Sections 4.03(b)(1) for rules regarding the gateway test.*

NOTE: *If "Other fixed formula" is selected, it must describe a formula from the options already available or a combination thereof (e.g., pro rata formula applies to Group A; fixed amount applies to Group B), be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

22. Non-Elective - Integration

Integration level for determining Excess Compensation:

a. **[ ]** Taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year

b. **[ ]** 20% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; minus $1.00

c. **[ ]** 80% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; minus $1.00

d. **[ ]** 80% of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year; plus $1.00

e. **[ ]** __________% (not more than 100%) of the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year

f. **[ ]** Fixed dollar amount: $__________(not more than the taxable wage base (as defined under Section 230 of the Social Security Act) in effect on the first day of such Plan Year)

NOTE: *If D.22a (taxable wage base) is not selected, the amount of permitted disparity will be determined in accordance with the following table:*

Integration Level	Permitted Disparity
More than $0 but not more than 20% of the TWB	5.7%
More than 20% of the TWB but not greater than 80% of the TWB	4.3%
More than 80% of the TWB but less than 100% of the TWB	5.4%
100% of the TWB	5.7%

*TWB = taxable wage base (as defined under Section 230 of the Social Security Act)

23. Non-Elective - Points

If D.21c is selected, the Non-Elective Contribution shall be allocated to eligible Participants who have met the requirements of B.6 through B.8 and D.14 through D.18 in the ratio that such Participant's points bears to the points of all eligible Participants.

Each Participant shall receive to the extent provided in D.23a: (a) the points described in D.23d for each year of age he has attained (as of his birthday during such Plan Year), (b) the points described in D.23c for each Plan Year, including the current Plan Year, during which he was eligible to participate in the Plan after meeting the requirements of Article 3 (regardless of any service or last day requirement in Article 4) applicable to Non-Elective Contributions, and (c) the points described in D.23b for each $ __________of Plan Compensation he has earned for such Plan Year.

If after application of the foregoing, the average of the allocation rates for eligible Highly Compensated Employees exceeds the average of the allocation rates for eligible Nonhighly Compensated Employees, each eligible Nonhighly Compensated Employee who has earned any points during the Plan Year shall be awarded the same minimum number of points (or fraction of a point) so that the average of the allocation rates for eligible Highly Compensated Employees does not exceed the average of the allocation rates for eligible Nonhighly Compensated Employees.

a. Points will be computed on the basis of:

i. **[ ]** Age, service, and Plan Compensation

ii. **[ ]** Age and service

- **iii.** **[ ]** Age and Plan Compensation
- **iv.** **[ ]** Service and Plan Compensation
- **v.** **[ ]** Age only
- **vi.** **[ ]** Service only

b. Points awarded for $__________of Plan Compensation: __________

c. Points awarded for each year of service within the meaning of Treas. Reg. section 1.401(a)(4)-11(d)(3): __________

d. Points awarded for each year of age: __________

24. Non-Elective - New Comparability

New Comparability - Defined Groups

If D.21f is selected, the adopting Eligible Employer Non-Elective Contribution will be allocated to eligible Participants who have met the requirements of Section B and D.10 in an amount designated by the adopting Eligible Employer to be allocated to each group described in this section. The contribution for a group will then be further allocated to the members of such group who are eligible to receive allocations of Non-Elective Contributions in the method as specified in this section for such group. The amount allocated to one group need not bear any relationship to amounts allocated to any other group. In the event that an eligible Participant is included in more than one group, the Participant's share of the contribution allocated to each group will be based upon either the amount of service or the Plan Compensation for the part of the year the Participant was in the group.

The groups and allocations will be determined as follows:

a. Group One: __________An amount equal to:

- **i.** **[ ]** A percentage of Plan Compensation
- **ii.** **[ ]** A fixed dollar amount
- **iii.** **[ ]** the greater of i. or ii.

b. Group Two: __________An amount equal to:

- **i.** **[ ]** A percentage of Plan Compensation
- **ii.** **[ ]** A fixed dollar amount
- **iii.** **[ ]** the greater of i. or ii.

NOTE: *Groups must be clearly defined in a manner that will not violate the definite predetermined allocation formula requirement of Treas. Reg. section 1.401-1(b)(1)(ii) and the groups cannot be designed in such a manner to where only NHCEs participating are those NHCEs with the lowest amounts of compensation or the shortest periods of service and who may represent the minimum number of these employees necessary to satisfy coverage under Code section IRC 410(b).*

NOTE: *The Employer will notify the vendor or Plan Administrator in writing of the amount of contributions allocated to each group.*

25. Determination Period for Non-Elective Contributions

a. The period for determining the amount of an allocation of Non-Elective Contributions is:

- **i.** **[ ]** End of Plan Year
- **ii.** **[ ]** Semi-annually
- **iii.** **[ ]** Quarterly
- **iv.** **[ ]** Each calendar month
- **v.** **[X]** Each pay period
- **vi.** **[ ]** At such times as may be determined by the Employer

b. Minimum and Maximum Non-Elective Contributions

- **i.** **[ ]** Allocations of Non-Elective Contributions for a Participant will be subject to a minimum amount: __________
- **ii.** **[ ]** Allocations of Non-Elective Contributions for a Participant will be subject to a maximum amount: __________

c. Apply the dollar limit in D.25b:

- **i.** **[ ]** On a Plan Year basis only
- **ii.** **[ ]** Pro rata as of each period specified in D.25a

NOTE: *The determination period elected in D.25 must be equal to or longer than the applicable period elected in D.15.*

26. Non-Elective - Disability

[ ] Allocate Non-Elective Contributions to Disabled Participants who do not meet the allocation service requirements (Section 4.03(e)). Allocations to Disabled Participants end as of the earliest of: (i) the last day of the Plan Year in which occurs the __________anniversary of the start of the Participant's Disability or (ii) such other time specified in Section 4.03(e).

NOTE: *D.26 will not be more than "tenth."*

NOTE: *Allocations under D.26 may occur after Termination.*

27. Non-Elective - Former Participants

a. **[ ]** Non-Elective Contributions will be allocated to former Participants until the last day of the __________(no more than fifth) tax year following the tax year in which the date of Termination occurs.

b. **[ ]** Age and Service Requirements. Former Participants must meet the following requirements to be eligible to receive Non-Elective Contributions.

i. **[ ]** Former Participants must be at least __________years old.

ii. **[ ]** Former Participants must meet the following service requirement: __________.

iii. **[ ]** Former Participants must meet the following requirement: __________.

c. **[ ]** The following modifications will apply to D.27b: __________.

28. Qualified Non-Elective Contributions ("QNEC")

[ ] The following limitations, conditions or special rules apply to Qualified Non-Elective Contributions (QNECs) or Qualified Matching Contributions (QMACs): __________

If the adopting Eligible Employer makes discretionary QNECs (Section 4.04(b)) or QMACs (Section 4.04(c)) to the Plan, the Employer must provide the Plan Administrator (or Custodian , if applicable), written instructions describing (1) how the discretionary QNEC or QMAC formula will be allocated to Participants, (2) the computation period(s) to which the discretionary QNEC or QMAC formula applies, and (3) if applicable, a description of each business location or business classification subject to separate discretionary QNEC or QMAC allocation formulas. Such instructions must be provided no later than the date on which the discretionary QNEC or QMAC is made to the Plan. A summary of these instructions must be communicated to Participants who receive discretionary QNECs or QMACs. The summary must be communicated to Participants no later than 60 days following the date on which the last discretionary QNEC or QMAC is made to the Plan.

29. Rollovers

Rollover Contributions are permitted:

[X] Yes **[ ]** No

NOTE: *The Plan Administrator has discretion under Section 4.06 to limit the types of rollover contributions accepted by the Plan and must use that discretion in a consistent and nondiscriminatory manner.*

30. Recontributions

a. **[ ]** Recontributions of coronavirus-related distributions will be permitted.

b. **[ ]** Recontributions of federal disaster distributions will be permitted.

31. Death or Disability During Qualified Military Service

[ ] For benefit accrual purposes, a Participant that dies or becomes Disabled while performing Qualified Military Service will be treated as if he had been employed by the adopting Eligible Employer on the day preceding death or Disability and terminated employment on the day of death or Disability.

32. 415 Additional Language

[ ] Additional language necessary to satisfy Code section 415 because of the required aggregation of multiple plans: __________.

E. VESTING

Vesting Service Rules

1. Vesting service computation method

a. **[ ]** Hours of Service. Number of Hours of Service necessary for a Year of Vesting Service (not to exceed 1,000): __________

b. **[X]** Elapsed Time

NOTE: *Unless E.1.b (Elapsed Time) is selected, the Plan will use the Hours of Service method for determining vesting service. If E.1.b (Elapsed Time) is selected, questions E.2 through E.3 are disregarded.*

2. Vesting Service Equivalencies

a. Select equivalency for vesting purposes:

i. **[ ]** None.

An Employee will be credited with the following service with the Employer:

ii. **[ ]** 10 Hours of Service for each day or partial day

iii. **[ ]** 45 Hours of Service for each week or partial week

iv. **[ ]** 95 Hours of Service for each semi-monthly payroll period or partial semi-monthly payroll period

v. **[ ]** 190 Hours of Service for each month or partial month

b. The hours equivalency selected in E.2a will apply to:

i. **[ ]** All Employees

ii. **[ ]** Only Employees for whom hours are not tracked. If the Employer tracks hours for an Employee, vesting will be determined based on actual hours worked.

3. **Vesting Computation Period**

a. **[ ]** Calendar year

b. **[ ]** Plan Year

c. **[ ]** The consecutive 12-month period commencing on the date the Employee first performs an Hour of Service; each subsequent consecutive 12-month period will commence on the anniversary of such date

d. **[ ]** Other (must be a consecutive 12-month period): __________.

4. **Other Employer Service**

[ ] Count years of service with employers other than the adopting Eligible Employer for vesting purposes. List other employers and indicate for what purposes (e.g., Employer Matching, Non-Elective, etc.) the service applies along with any limitations: __________

5. **Vesting Exceptions**

a. **[ ]** Death. Provide for full vesting for a Participant who terminates employment with the adopting Eligible Employer due to death while an Employee.

b. **[ ]** Disability. Provide for full vesting for a Participant who terminates employment with the adopting Eligible Employer due to Disability while an Employee.

c. **[ ]** Early Retirement. Provide for 100% vesting upon the attainment of Early Retirement Date while an Employee.

6. **Vesting Exclusions**

a. **[ ]** Exclude Years of Vesting Service earned before age 18.

b. **[ ]** Exclude Years of Vesting Service earned before the adopting Eligible Employer maintained this Plan or a predecessor plan.

c. **[ ]** One-year holdout. If an Employee has a One-Year Break in Service/Period of Severance, exclude Years of Vesting Service earned before such period until the Employee has completed a Year of Vesting Service after returning to employment with the adopting Eligible Employer.

d. **[ ]** Rule of parity. If an Employee does not have any nonforfeitable right to the Account balance derived from adopting Eligible Employer contributions, exclude Years of Vesting Service earned before a period of five (5) consecutive One-Year Breaks in Service/Periods of Severance.

7. **Special Vesting Provisions**

[ ] Provide for special vesting provisions (e.g., 100% vesting as of a certain date, or to set a different vesting schedule for employees based on division): __________

NOTE: *Any special provisions must satisfy Code sections 401(a)(4) and 411*

Vesting Schedules

8. **Employer Matching Contributions**

Vesting Schedule for Employer Matching Contributions (Section 6.02):

a. **[ ]** 100%

b. **[ ]** 2-6 Year Graded

c. **[ ]** 1-5 Year Graded

d. **[ ]** 1-4 Year Graded

e. **[ ]** 3 Year Cliff

f. **[ ]** 2 Year Cliff

g. **[ ]** Other:

i. Other Employer Match Schedule - less than 1 year: __________%

ii. Other Employer Match Schedule - 1 year but less than 2 years: __________%

iii. Other Employer Match Schedule - 2 years but less than 3 years: __________%

iv. Other Employer Match Schedule - 3 years but less than 4 years: __________%

v. Other Employer Match Schedule - 4 years but less than 5 years: __________%

vi. Other Employer Match Schedule - 5 years but less than 6 years: __________%

vii. Other Employer Match Schedule - 6 or more years: 100 %.

NOTE: *Any vesting schedule described in E.8g must provide vesting at least as rapidly as the "3 Year Cliff" vesting schedule or the "2-6 Year Graded" vesting schedule and E.8g.vii will be deemed to be 100%.*

9. **Non-Elective Contributions**

Vesting Schedule for Non-Elective Contribution (Section 6.02):

a. **[X]** 100%
b. **[ ]** 2-6 Year Graded
c. **[ ]** 1-5 Year Graded
d. **[ ]** 1-4 Year Graded
e. **[ ]** 3 Year Cliff
f. **[ ]** 2 Year Cliff
g. **[ ]** Other:
i. Other Non-Elective Schedule - less than 1 year: ___________%
ii. Other Non-Elective Schedule - 1 year but less than 2 years: ___________%
iii. Other Non-Elective Schedule - 2 years but less than 3 years: ___________%
iv. Other Non-Elective Schedule - 3 years but less than 4 years: ___________%
v. Other Non-Elective Schedule - 4 years but less than 5 years: ___________%
vi. Other Non-Elective Schedule - 5 years but less than 6 years: ___________%
vii. Other Non-Elective Schedule - 6 or more years: 100 %.

NOTE: *Any vesting schedule described in E.9g must provide vesting at least as rapidly as the "3 Year Cliff" vesting schedule or the "2-6 Year Graded" vesting schedule and E.9g.vii will be deemed to be 100%.*

10. QACA Contributions

QACA (Non-Elective and Match) Vesting Schedule (Section 6.02). Specify the vesting schedule for contributions made pursuant to C.12a.iv or C.12a.v:

a. **[ ]** 100%
b. **[ ]** 2 Year Cliff
c. **[ ]** Other:
i. Other QACA Schedule - less than 1 year: ___________%
ii. Other QACA Schedule - 1 year but less than 2 years: ___________%
iii. Other QACA Schedule - 2 or more years: 100 %

11. Other Vesting Schedule

a. **[ ]** The Plan has another vesting schedule: ___________
b. Describe the Participants to which the other vesting schedule applies: ___________

NOTE: *The vesting schedule in E.11 is in addition to the vesting schedules in E.8 through E.10.*

NOTE: *E.11b must be applied in a consistent and nondiscriminatory manner and must satisfy the applicable minimum vesting requirements of Code section 411(a)(2) at every point in time, for all Participants' years of service.*

12. Forfeitures

Forfeitures will be used in the following manner (Article 6):

a. **[X]** Any permissible method described in Section 6.03(d)
b. **[ ]** Other: ___________

NOTE: *If E.12a is selected, forfeitures may be allocated in any manner at the discretion of the Plan Administrator.*

F. DISTRIBUTIONS

Definitions

1. Normal Retirement

a. Normal Retirement Age means:
i. **[X]** Attainment of age (not to exceed 65): 65
ii. **[ ]** Later of attainment of age ___________or the service specified in F.1b
iii. **[ ]** Other: ___________

b. Select the type and length of service used to measure Normal Retirement Age (not to exceed the fifth anniversary of the first day of the Plan Year in which participation commenced):
i. **[ ]** Eligibility. ___________Year(s) of Eligibility Service
ii. **[ ]** Vesting. ___________Year(s) of Vesting Service
iii. **[ ]** Participation. ___________anniversary of participation (e.g., third, fourth, etc.)

c. Normal Retirement Date means:

- **i.** **[X]** Normal Retirement Age
- **ii.** **[ ]** First day of calendar month coincident or next following Normal Retirement Age
- **iii.** **[ ]** First day of calendar month nearest Normal Retirement Age
- **iv.** **[ ]** Anniversary date nearest Normal Retirement Age
- **v.** **[ ]** Other: __________

NOTE: *The Normal Retirement Age will be deemed met no later than the later of age 65 or the fifth anniversary of participation.*

2. Early Retirement

a. Early Retirement Age means:

- **i.** **[X]** None. The Plan does not have an early retirement feature.
- **ii.** **[ ]** Attainment of age __________
- **iii.** **[ ]** Later of attainment of age __________or the service specified in F.2b
- **iv.** **[ ]** Other: __________

b. Select the type and length of service used to measure Early Retirement Age:

- **i.** **[ ]** Eligibility. __________Year(s) of Eligibility Service
- **ii.** **[ ]** Vesting. __________Year(s) of Vesting Service
- **iii.** **[ ]** Participation. __________anniversary of participation (e.g., third, fourth, etc.)

c. Early Retirement Date means:

- **i.** **[ ]** Early Retirement Age
- **ii.** **[ ]** First day of calendar month coincident or next following Early Retirement Age
- **iii.** **[ ]** First day of calendar month nearest Early Retirement Age
- **iv.** **[ ]** Anniversary date nearest Early Retirement Age
- **v.** **[ ]** Other: __________

NOTE: *If F.2a.iii is selected and a participant terminates from service before satisfying the age requirement for early retirement, but after satisfying the service requirement, the Participant will be entitled to elect an early retirement benefit upon reaching the required age.*

Time & Form of Payment

3. REA Safe Harbor

This Plan meets the safe harbor requirements to be exempt from the Retirement Equity Act (REA.)

- **a.** **[X]** Yes - all assets in the Plan are exempt from the REA requirements.
- **b.** **[ ]** No - all assets in the Plan are subject to the REA requirements. The default form of payment will be a Qualified Joint and ________ % Survivor Annuity (not less than 50% and not more than 100%).
- **c.** **[ ]** No - certain assets in the Transfer Account are subject to the REA requirements. The default form of payment for those Transfer Account assets that are subject to the REA requirements will be a Qualified Joint and __________% Survivor Annuity (not less than 50% and not more than 100%).

4. Time of Payment (Other than Death)

Distributions after Termination of Employment for reasons other than death will commence (Section 7.02):

- **a.** **[ ]** Immediate. As soon as administratively feasible with a final payment made consisting of any allocations occurring after such Severance from Employment.
- **b.** **[X]** End of Plan Year. As soon as administratively feasible after all contributions have been allocated relating to the Plan Year in which the Participant's Account balance becomes distributable
- **c.** **[ ]** Normal Retirement Date.
- **d.** **[ ]** Other: __________

NOTE: *Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.*

5. Form of Payment (Other than Death)

a. Distributions from the Plan after Severance from Employment for reasons other than death may be made in the following forms (select all that apply):

- **i.** **[X]** Lump sum
- **ii.** **[ ]** Substantially equal installments
- **iii.** **[ ]** Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he will elect
- **iv.** **[ ]** Other (e.g., Periodic Payment that are set at least quarterly): __________

NOTE: *F.5b.iii and any entry in F.5b.iv must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.*

b. Participants may take distributions in the form of an annuity:

i. **[ ]** Yes - entire account
ii. **[ ]** Yes - entire account except single life annuities will not be allowed
iii. **[ ]** Yes - the following conditions and/or limitations will apply: ___________
iv. **[X]** No

NOTE: *If F.5c.i, F.5c.ii, F.5c.iii is selected, a Participant may elect to have the Plan Administrator apply his vested Account to the extent provided above toward the purchase of an annuity contract, which will be distributed to the Participant. The terms of such annuity contract will comply with the provisions of this Plan and any annuity contract will be nontransferable.*
NOTE: *F.5c.iii must be applied in a consistent and nondiscriminatory manner (for example, limiting annuity distributions to accounts in excess of a certain dollar amount.)*
NOTE: *If the Plan is exempt from the REA requirements, the Plan cannot offer a single life annuity as an optional form of benefit. If the Plan is exempt from the REA requirements, the distribution used to purchase a single life annuity will be subject to the REA requirements.*

Payments on Death

6. Time of Payment

Distributions on account of the death of the Participant will be made in accordance with the following:

a. **[ ]** Pay entire Account balance by end of fifth year for all Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) only
b. **[ ]** Pay entire Account balance no later than the 60th day following the end of Plan Year in which the Participant dies
c. **[X]** Allow extended payments for all Beneficiaries in accordance with Sections 7.02(b)(1)(A), (B) and (C) and 7.02(b)(2)(A) and (B)
d. **[ ]** Pay entire Account balance by end of fifth year for Beneficiaries in accordance with Sections 7.02(b)(1)(A) and 7.02(b)(2)(A) and allow extended payments in accordance with Sections 7.02(b)(2)(B) and (C) and 7.02(b)(2)(B) only if the Participant's spouse is the Participant's sole primary Beneficiary
e. **[ ]** Other: ___________

NOTE: *Any entry in "Other" must comply with Code section 401(a)(9), Section 7.02(b) and other requirements of Article 7.*

7. Form of Payment

a. Distributions from the Plan may be made in the following forms (select all that apply):

i. **[X]** Lump sum
ii. **[ ]** Substantially equal installments
iii. **[ ]** Under a continuous right of withdrawal pursuant to which a Participant may withdraw such amounts at such times as he will elect
iv. **[ ]** Other (e.g., Periodic Payment that are set at least quarterly): ___________

NOTE: *F.7a.iii and any entry in F.7a.iv must comply with Code section 401(a)(9), Section 7.02 and other requirements of Article 7.*

b. Beneficiaries may take distributions in the form of an annuity.

i. **[ ]** Yes - the entire Account
ii. **[ ]** Yes - the following conditions and/or limitations will apply: ___________
iii. **[X]** No

NOTE: *If F.7b.i or F.7b.ii is selected, a Beneficiary may elect to have the Plan Administrator apply his Account to the extent provided above toward the purchase of an annuity contract, which will be distributed to the Beneficiary. The terms of such annuity contract will comply with the provisions of this Plan (including Section 7.02) and any annuity contract will be nontransferable.*
NOTE: *F.7b.ii must be applied in a consistent and nondiscriminatory manner (for example, limiting annuity distributions to accounts in excess of a certain dollar amount.)*

8. Beneficiaries

a. Death benefits when there is no designated beneficiary:

i. **[X]** In accordance with Section 7.04(c)
ii. **[ ]** Other: ___________

b. **[ ]** A beneficiary designation to a spouse will be automatically revoked upon the legal divorce of the Participant and the spouse.
c. **[ ]** For purposes of determining a Participant's spouse, the one-year rule in Code section 417(d), Treas. Reg. section 1.401(a)-20 applies.

NOTE: *If "Other" is selected, the description must be definitely determinable and may not be specified in a manner that is subject to Employer discretion.*

Mandatory Distributions

9. Force-Out Provisions

- **a.** **[X]** Maximum force-out amount for purposes of Section 7.03 (not to exceed $5,000): $5,000
  - **i.** **[X]** Exclude amounts attributable to Rollover Contributions in determining the value of the Participant's nonforfeitable account balance
  - **ii.** Force-outs will be subject to the automatic rollover provisions of 7.06(c) if over: $1
- **b.** If the Account is subject to the survivor annuity requirements of Section 7.10, minimum Account balance for Qualified Joint and Survivor Annuity consent requirements (not to exceed $5,000): $__________
- **c.** Force-out of a terminated Participant's Account balance is deferred under Section 7.03(b) until:
  - **i.** **[ ]** Later of age 62 or Normal Retirement Date - payment made in a lump sum only
  - **ii.** **[X]** Required Beginning Date - Participant may elect payment in a lump sum or installments
  - **iii.** **[ ]** Required Beginning Date - payment made in a lump sum only
  - **iv.** **[ ]** Other (must comply with Code section 411(a)(11), Section 7.03 and other requirements of Article 7): __________

NOTE: *If F.9a is less than $1,000, F.9a.i may not be selected.*

G. DISTRIBUTIONS IN-SERVICE WITHDRAWALS/LOANS/OTHER DISTRIBUTIONS

NOTE: *See Section 8.04 for limits on in-service distributions.*
NOTE: *Safe harbor contributions will be distributable when the Qualified Non-Elective Account is distributable unless otherwise limited by the Code, Treasury Regulations, or Adoption Agreement.*

1. Normal Retirement

Allow in-service distributions after attainment of Normal Retirement Age (Section 7.01(b)) from the following Accounts:

- **a.** **[ ]** None
- **b.** **[X]** All Accounts
- **c.** **[ ]** Selected Accounts
  - **i.** **[ ]** Elective Deferral Account
  - **ii.** **[ ]** Voluntary Contribution Account
  - **iii.** **[ ]** Mandatory After-Tax Contribution Account
  - **iv.** **[ ]** Mandatory Pre-Tax Contribution Account
  - **v.** **[ ]** Matching Contribution Account
  - **vi.** **[ ]** Non-Elective Contribution Account
  - **vii.** **[ ]** Qualified Non-Elective Contribution Account
  - **viii.** **[ ]** Rollover Contribution Account
  - **ix.** **[ ]** Transfer Account
  - **x.** **[ ]** Other: __________

NOTE: *The "Other" accounts specified above must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

2. Early Retirement

Allow in-service distributions after attainment of Early Retirement Age (Section 7.01(a)) from the following Accounts:

- **a.** **[ ]** None
- **b.** **[ ]** All Accounts
- **c.** **[ ]** Selected Accounts
  - **i.** **[ ]** Elective Deferral Account
  - **ii.** **[ ]** Voluntary Contribution Account
  - **iii.** **[ ]** Mandatory After-Tax Contribution Account
  - **iv.** **[ ]** Mandatory Pre-Tax Contribution Account
  - **v.** **[ ]** Matching Contribution Account
  - **vi.** **[ ]** Non-Elective Contribution Account
  - **vii.** **[ ]** Qualified Non-Elective Contribution Account
  - **viii.** **[ ]** Rollover Contribution Account
  - **ix.** **[ ]** Transfer Account
  - **x.** **[ ]** Other: __________

  NOTE: *The "Other" accounts specified above must be objectively determinable and may not be specified in a manner that is subject to Employer discretion.*

NOTE: *If the Normal Retirement Date or Early Retirement Date is less than age 59-1/2 and in-service is selected, Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching Contributions, the portion of any Account that has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13) or 401(m)(11) or 401(m)(12), Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2.*

Hardship

3. Hardship

Hardship withdrawals are allowed as follows:

- **a.** **[ ]** None
- **b.** **[ ]** All Accounts.
- **c.** **[X]** Selected Accounts:
  - **i.** **[X]** Elective Deferral Account
  - **ii.** **[ ]** Voluntary Contribution Account
  - **iii.** **[ ]** Mandatory After-Tax Contribution Account
  - **iv.** **[ ]** Mandatory Pre-Tax Contribution Account
  - **v.** **[ ]** Matching Contribution Account
  - **vi.** **[ ]** Non-Elective Contribution Account
  - **vii.** **[ ]** Rollover Contribution Account
  - **viii.** **[ ]** Transfer Account
  - **ix.** **[ ]** Other: ___________

  NOTE: *The "Other" accounts specified above must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*
- **d.** **[X]** The Plan will use the safe harbor criteria set forth in Section 8.01(b) in determining whether a Participant is entitled to receive a hardship withdrawal:
  - **i.** **[X]** All Accounts.
  - **ii.** **[ ]** Selected Accounts
    - **1.** **[ ]** Elective Deferral Account
    - **2.** **[ ]** Voluntary Contribution Account
    - **3.** **[ ]** Mandatory After-Tax Contribution Account
    - **4.** **[ ]** Mandatory Pre-Tax Contribution Account
    - **5.** **[ ]** Matching Contribution Account
    - **6.** **[ ]** Non-Elective Contribution Account
    - **7.** **[ ]** Rollover Contribution Account
    - **8.** **[ ]** Transfer Account
    - **9.** **[ ]** Other: (e.g., Merged Assets) ___________

    NOTE: *The "Other" accounts specified above (G.2c.ii.9) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*
- **e.** **[ ]** The Plan will use the more flexible criteria set forth in Section 8.01(c) in determining whether a Participant is entitled to receive a hardship withdrawal:
  - **i.** **[ ]** All Accounts.
  - **ii.** **[ ]** Selected Accounts
    - **1.** **[ ]** Elective Deferral Account
    - **2.** **[ ]** Voluntary Contribution Account
    - **3.** **[ ]** Mandatory After-Tax Contribution Account
    - **4.** **[ ]** Mandatory Pre-Tax Contribution Account
    - **5.** **[ ]** Matching Contribution Account
    - **6.** **[ ]** Non-Elective Contribution Account
    - **7.** **[ ]** Rollover Contribution Account
    - **8.** **[ ]** Transfer Account
    - **9.** **[ ]** Other: (e.g., Merged Assets) ___________

    NOTE: *The "Other" accounts specified above (G.2d.ii.9) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*
- **f.** **[X]** Expand the hardship criteria to include the Beneficiary of the Participant

g. If a Participant may receive a Hardship withdrawal from his Elective Deferral Account, permit hardship withdrawals from the Participant's Roth Elective Deferral Account subject to the same terms and conditions as apply to the Participant's Elective Deferral Account:

- **i.** **[X]** Yes
- **ii.** **[ ]** Yes - only if the withdrawal from the Roth Elective Deferral Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
- **iii.** **[ ]** No

h. **[ ]** Other limitations on Hardship withdrawals (e.g., one Hardship withdrawal per Plan Year): __________

NOTE: *A Participant may receive a distribution on account of hardship except from: (i) Safe Harbor Contributions; (ii) Qualified Non-Elective Contributions; (iii) Employer Matching Contributions held in a custodial account; (iv) Non-Elective Contributions held in a custodial account are not eligible for hardship withdrawals; (v) earnings on Elective Deferrals; (vi) Non-elective Contributions invested in mutual funds; and (vii) Employer Matching Contributions invested in mutual funds.*

NOTE: *If G.3e is selected, the requirements of Section 8.01(b)(2) will not apply, the amount of the hardship withdrawal may not exceed the Participant's vested interest under the applicable Account and the requirements of Revenue Ruling 71-224 and any superseding guidance will apply.*

NOTE: *G.3g only applies if A.7b is "Yes," (Roth Elective Deferrals are permitted) and hardship withdrawals are permitted from the Elective Deferral Account.*

NOTE: *Any limitations in G.3h (such as limits on the number of withdrawals per year or minimum amount of distributions) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion. Minimum amount of hardship withdrawals may not exceed $1,000.*

4. Specified Age and Service

a. In-service withdrawals are allowed on attainment of age __________and __________service:

- **i.** **[X]** None
- **ii.** **[ ]** All Accounts
- **iii.** **[ ]** Selected Accounts

b. If Selected Accounts is selected, specified age and service withdrawals may be made from the following Accounts:

- **i.** **[ ]** Elective Deferral Account
- **ii.** **[ ]** Voluntary Contribution Account
- **iii.** **[ ]** Mandatory After-Tax Contribution Account
- **iv.** **[ ]** Mandatory Pre-Tax Contribution Account
- **v.** **[ ]** Matching Contribution Account
- **vi.** **[ ]** Non-Elective Contribution Account
- **vii.** **[ ]** Qualified Non-Elective Contribution Account
- **viii.** **[ ]** Rollover Contribution Account
- **ix.** **[ ]** Transfer Account
- **x.** **[ ]** Other: (e.g., Merged Assets) __________

NOTE: *The "Other" accounts specified above (G.4b.x) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

c. If a Participant may receive a withdrawal upon the attainment of a specified age and service from his Elective Deferral Account, permit such withdrawals from the Participant's Roth Elective Deferral Account subject to the same terms and conditions as apply to the Participant's Elective Deferral Account:

- **i.** **[ ]** Yes
- **ii.** **[ ]** Yes - only if the withdrawal from the Roth Elective Deferral Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
- **iii.** **[ ]** No

NOTE: *If G.4a is less than age 59-1/2, Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching Contributions, the portion of any Account that has been used to satisfy the ACP safe harbor requirements, Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2 and completes required service; but only to the extent withdrawals are permitted from such Accounts pursuant to G.4a and G.4b.*

NOTE: *G.4b only applies if G.4a.iii is selected.*

NOTE: *G.4c only applies if A.7b is "Yes" (Roth Elective Deferrals are permitted,) and G.4a.ii or G.4a.iii and G.4b.i is selected.*

5. Specified Age

a. In-service withdrawals are allowed on attainment of age 59-1/2:

- **i.** **[ ]** None
- **ii.** **[X]** All Accounts

iii. **[ ]** Selected Accounts

b. If Selected Accounts is selected, specified age withdrawals may be made from the following Accounts:

i. **[ ]** Elective Deferral Account
ii. **[ ]** Voluntary Contribution Account
iii. **[ ]** Mandatory After-Tax Contribution Account
iv. **[ ]** Mandatory Pre-Tax Contribution Account
v. **[ ]** Matching Contribution Account
vi. **[ ]** Non-Elective Contribution Account
vii. **[ ]** Qualified Non-Elective Contribution Account
viii. **[ ]** Rollover Contribution Account
ix. **[ ]** Transfer Account
x. **[ ]** Other: (e.g., Merged Assets) ___________

NOTE: *The "Other" accounts specified above (G.5b.x) must be objectively determinable and may not be specified in a manner that is subject to adopting Eligible Employer discretion.*

c. If a Participant may receive a withdrawal upon the attainment of a specified age from his Elective Deferral Account, permit such withdrawals from the Participant's Roth Elective Deferral Account subject to the same terms and conditions as apply to the Participant's Elective Deferral Account:

i. **[X]** Yes
ii. **[ ]** Yes - only if the withdrawal from the Roth Elective Deferral Account qualifies as a "qualified distribution" within the meaning of Code section 402A(d)(2)
iii. **[ ]** No

NOTE: *If G.5a is less than age 59-1/2, Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching, the portion of any Account that has been used to satisfy the ACP safe harbor requirements, Matching Contributions held in a custodial account, and Non-Elective Contributions held in a custodial account will not be eligible for withdrawal until the Participant attains age 59-1/2; but only to the extent withdrawals are permitted from such Accounts pursuant to G.5a and G.5b.*
NOTE: *G.5b only applies if G.5a.iii is selected.*
NOTE: *G.5c only applies if A.7b is "Yes," (Roth Elective Deferrals are permitted), and G.5a.ii or G.5a.iii and G.5b.i is selected.*

Other Withdrawals

6. Withdrawals After Period of Participation

a. **[ ]** Matching Contributions. In-service withdrawals are allowed from a Participant's Matching Contribution Account after ___________ years of Participation

b. **[ ]** Non-Elective Contributions. In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account after ______ years of Participation

NOTE: *Withdrawals under G.6a are only permitted from the Matching Contribution Account to the extent such Account has not been used to satisfy the ACP safe harbor requirements, have not been treated as Qualified Matching Contributions, and is held in annuity contracts.*
NOTE: *Withdrawals under G.6b are only permitted from the Non-Elective Contribution Account to the extent such Account is held in annuity contracts.*
NOTE: *G.6a-b may not be less than five.*

7. Withdrawals After Period of Accumulation

a. **[ ]** Matching Contributions. In-service withdrawals are allowed from a Participant's Matching Contribution Account on funds held for _ years.

b. **[ ]** Non-Elective Contributions. In-service withdrawals are allowed from a Participant's Non-Elective Contribution Account on funds held for ___________years.

NOTE: *Withdrawals under G.7a are only permitted from the Matching Contribution Account to the extent such Account has not been used to satisfy the ACP safe harbor requirements, have not been treated as Qualified Matching Contributions, is held in annuity contracts.*
NOTE: *Withdrawals under G.7b are only permitted from the Non-Elective Contribution Account to the extent such Account is held in annuity contracts.*
NOTE: *G.7a-b may not be less than two.*

8. At Any Time

In-service withdrawals are allowed from the following Accounts at any time:

a. **[ ]** Voluntary Contribution Account
b. **[ ]** Mandatory After-Tax Contribution Account

- **c.** **[ ]** Mandatory Pre-Tax Contribution Account
- **d.** **[X]** Rollover Contribution Account

9. Military Distributions

- **a.** **[X]** Qualified Reservist Distributions are permitted.
- **b.** **[X]** Deemed Severance Distributions are permitted.

10. Transfer Account

[ ] Effective __________(no earlier than 01/01/2020), the Plan permits distributions from a Transfer Account to a Participant who has not separated from employment if the Participant attains: __________(age cannot be less than 59-1/2).

- **a.** **[ ]** Under any distribution option offered to a Participant who has incurred a Termination of Employment
- **b.** **[ ]** With the following limitations or conditions: __________

NOTE: *G.10 only applies if F.3b or F.3c is selected (Plan has received a transfer of assets from a plan subject to the survivor annuity rules of Code sections 401(a)(11) and 417).*

11. Disability

[ ] Allow distributions upon Disability.

NOTE: *If distribution upon Disability is selected, the following Accounts may not be distributed unless a severe disability equivalent to A.17a. has occurred: (i) Elective Deferral Account, (ii) Qualified Non-Elective Contribution Account, (iii) Matching Contribution Account to the extent such Account has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13) and/or 401(m)(11) or 401(m)(12) or to the extent such Account is treated as a Qualified Matching Contribution. A severe disability equivalent to A.17a is as follows: the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The permanence and degree of such impairment will be supported by medical evidence.*

12. Qualified Birth or Adoption Distributions (QBADs)

- **a.** **[ ]** Effective __________(no earlier than 01/01/2020), the Plan permits qualified birth or adoption distributions as a separate distribution event.
- **b.** **[ ]** The following limitations and conditions apply: __________.

NOTE: *If Qualified Birth or Adoption Distributions (QBADs) are selected, recontribution of a QBAD must also be permitted. See Section 8.04.*

13. Coronavirus-Related Distributions

- **a.** **[ ]** Effective __________(no earlier than 01/01/2020) and prior to December 31, 2020, the Plan permitted coronavirus-related distributions.
- **b.** **[ ]** The following limitations and conditions applied: __________.

14. Federal Disaster Distributions

- **a.** **[ ]** The Plan permits distribution of a Participant's Elective Deferrals for a federally declared disaster
- **b.** **[ ]** The following limitations and conditions apply: __________.

NOTE: *The limitations and conditions captured in G.12.b, G.13.b, and G.14.b must not result in a violation of any applicable requirements under Code section 403(b).*

Conditions/Limitations

15. Vesting Status for In-service Withdrawals

[X] In-service withdrawals otherwise permitted under Section G are allowed only if the distributing Account is fully vested

NOTE: *Withdrawals under G.1-14 are only permitted from the portion of a Participant's Accounts described in G.15 unless otherwise specified in G.16.*

16. Other Conditions/Limitations

[ ] The following limitations, conditions, and/or special rules apply to in-service withdrawals (e.g., Participant is limited to one in-service withdrawal per calendar quarter): __________

NOTE: *Unless otherwise specified, the limitations will apply to all in-service withdrawals (G.1 through G.15). G.16 must be applied in a consistent and nondiscriminatory manner. For example, G.16 could be used to specify the number of withdrawals permitted in a specified time period. See Section 8.04.*

Roth Conversions

17. In-Plan Roth Rollovers - Distributable Event (Small Business Jobs Act of 2010 - In-Plan Roth Rollovers effective as of 01/01/2013)

a. If the Plan allows for Roth contributions, In-Plan Roth Rollovers are permitted (Section 4.06(b)):
- **i.** **[ ]** No
- **ii.** **[ ]** Yes - no limitations
- **iii.** **[ ]** Yes - only if the Plan otherwise allows for the distribution/in-service withdrawal
- **iv.** **[ ]** Yes - all distributions/in-service withdrawals permitted under the Code even if not otherwise provided under the Plan and upon the attainment of age: __________
- **v.** **[X]** Yes - limitations or conditions apply: A participant may not make an In-Plan Roth Conversion of an outstanding loan amount.

b. **[ ]** In-Plan Roth Rollovers are permitted from partially vested accounts

c. Indicate method of preserving Code section 411(d)(6) protected benefits:
- **i.** **[X]** Preserve existing distributions/in-service withdrawals rights for each Account
- **ii.** **[ ]** Other: __________

NOTE: *To prevent terminated Employees from taking an In-Plan Roth Rollover or to limit In-Plan Roth Rollovers to a nondiscriminatory class, choose "limitations or conditions apply" and describe the circumstances under which Participants can take an In-Plan Roth Rollover.*

NOTE: *Elective Deferrals, Qualified Non-Elective Contributions, Qualified Matching Contributions and the portion of any Account that has been used to satisfy the safe harbor requirements of Code sections 401(k)(12) or 401(k)(13) or 401(m)(11) or 401(m)(12) shall not be eligible for withdrawal until the Participant attains age 59-1/2 irrespective of G.17a.iii, an age entered under G.17a.iv, or other limitation under G.17a.v.*

18. In-Plan Roth Transfers - Not Required to be Distributable (American Tax Payer Relief Act of 2012)

If the Plan allows for Roth contributions, In-Plan Roth Transfers are permitted (Section 4.06(b)):
- **a.** **[ ]** No
- **b.** **[X]** Yes
- **c.** **[ ]** Yes - limitations or conditions apply: __________.

NOTE: *Assets included in an In-Plan Roth Transfer will retain the restrictions on distribution the assets had before such transfer. The limitations and conditions captured in G.18.c. must not result in a violation of any applicable requirements under Code section 403(b).*

Exchanges and Transfers

19. Exchanges and Transfers to Purchase Service Credit
- **a.** **[ ]** Exchanges are permitted
- **b.** **[ ]** Transfers to Purchase Service Credit are permitted

Lifetime Income Investment Distribution

20. Lifetime Income Investment Distribution
- **a.** **[ ]** The Plan permits distributions (or distribution annuity contracts) of lifetime income investment options when such investment options are no longer authorized to be held as an investment option under the Plan effective (no earlier than the plan year beginning after 12/31/2019): __________
- **b.** **[ ]** The following limitations and conditions apply: __________

NOTE: *The limitations and conditions captured in G.20.b. must not result in a violation of any applicable requirements under Code section 403(b).*

H. PLAN OPERATIONS

Plan Operations

1. Valuation Date

Enter Valuation Date:
- **a.** **[ ]** Last day of Plan Year
- **b.** **[ ]** Last day of each Plan quarter
- **c.** **[ ]** Last day of each month
- **d.** **[X]** Each business day
- **e.** **[ ]** Other (e.g., first and fifteenth day of each month): __________(Must be at least annually).

2. Plan Administration

a. Designation of Plan Administrator:
  i. **[X]** Plan Sponsor
  ii. **[ ]** Committee appointed by Plan Sponsor
  iii. **[ ]** Other (Complete name of designated Plan Administrator.) (e.g., TPA Service Provider Inc.): __________
b. Establishment of procedures for the Plan Administrator and the Investment Fiduciary:
  i. **[X]** Plan Administrator and Investment Fiduciary adopt own procedures
  ii. **[ ]** Governing body of the Plan Sponsor sets procedures for Plan Administrator and Investment Fiduciary
c. Type of indemnification for the Plan Administrator and Investment Fiduciary:
  i. **[ ]** None - the adopting Eligible Employer will not indemnify the Plan Administrator or the Investment Fiduciary
  ii. **[X]** Standard according to Section 11.06
  iii. **[ ]** Provided pursuant to an outside agreement
d. **[ ]** The following modifications will be made to the duties of the applicable parties: __________
NOTE: *H.3d may be used to reallocate duties between the Plan Sponsor and the Plan Administrator. It may also be used to designate additional parties to perform specific Plan Administrator and/or Plan Sponsor duties.*

3. Claims Procedures Limitations
[ ] The following limitations, conditions, or special rules apply to the Claims Procedures described in Section 11.07: __________
NOTE: *Any limitations, conditions, or special rules must satisfy requirements under DOL regulations or any other applicable guidance.*

I. MISCELLANEOUS

Failure to properly fill out the Adoption Agreement may result in disqualification of the Plan.
The Plan will consist of this Adoption Agreement #001, its related Basic Plan Document #07 (ERISA 403(b)) and any Addendum to the Adoption Agreement.
The adopting Eligible Employer may rely on an opinion letter issued by the Internal Revenue Service as evidence that the Plan is tax-favored under Code section 403 only to the extent provided in Revenue Procedure 2021-37 and any superseding guidance. The adopting Eligible Employer may not rely on the opinion letter in certain other circumstances or with respect to certain requirements, which are specified in the opinion letter issued with respect to the Plan and in Revenue Procedure 2021-37 and any superseding guidance. In order to have reliance in such circumstances or with respect to such requirements, application for a determination letter must be made to Employee Plans Determinations of the Internal Revenue Service. The Pre-Approved Plan Provider will inform the adopting Eligible Employer of any amendments made to the Plan or of the discontinuance or abandonment of the Plan. The Pre-Approved Plan Provider may be contacted at CCH Incorporated, DBA ftwilliam.com may be contacted at 525 Junction Road, Ste. 5000 Madison, WI 53717; 800-596-0714.

J. EXECUTION PAGE

The undersigned agree to be bound by the terms of this Adoption Agreement and Basic Plan Document and acknowledge receipt of same. By signing this Adoption Agreement, the undersigned acknowledges having reviewed the Addendums and Amendments to the Basic Plan Document.

The parties have caused this Document to be executed on ________________________.

WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC:

Signature:_________________________________

Print Name: _______________________________

Title/Position:______________________________

ADMINISTRATIVE AND VENDOR APPENDIX

An amendment is not required to make changes to this Appendix. Use of this Addendum will not be considered a modification to the Pre-Approved Plan Document.

Approved vendors that accept new contributions, exchanges or both from the Adopting Employer and the investment types offered.

1. **Nationwide**
    a. **[X] Mutual Funds**
        i. **[X] New Contributions (payroll)**
        ii. **[X] Exchanges**
    b. **[X] Annuities**
        i. **[X] New Contributions (payroll)**
        ii. **[X] Exchanges**

Service Providers

1. **MAP Retirement LLC:** Third Party Administrative services as outlined in the Service Agreement

Plan Sponsor

1. **Services Plan Sponsor provides for the plan:** All services not delegated above

SECURE 2.0 Addendum 2026
WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC

The following changes are made to the Workforce Development Corporation Of Southeast Los Angeles County, Inc effective as of the dates listed; however, if no date is listed for a given item, such change will be effective as of the date of execution, or if earlier, the date required by applicable law. This Addendum is intended as a good faith effort to comply with the requirements of Division T of the Consolidated Appropriations Act, 2023, also known as SECURE 2.0. This Addendum is to be construed in accordance with guidance issued by the Internal Revenue Service and Employee Benefits Security Administration. Both this "Addendum" and applicable law will supersede any inconsistent Plan provisions.

OPTIONAL PROVISIONS

For each item below, the *italicized* provisions will apply to the extent not overwritten by options selected.

1. Employer Contributions made on a Roth basis
The Plan does not permit Employer Contributions to be made on a Roth basis.
- **a.** [ ] Effective __________, the Plan allows Participants to direct Matching Contributions to be made on a Roth basis.
- **b.** [ ] Effective __________, the Plan allows Participants to direct Non-elective Contributions to be made on a Roth basis.
- **c.** [ ] Effective __________, the Plan allows Participants to direct Mandatory Contributions to be made on a Roth basis.
- **d.** [ ] The following terms apply to this Section: __________.

2. Military Spouses
The Plan's provisions regarding when Employees become eligible to make or receive contributions and any vesting applied to such contributions is unchanged for Military Spouses.
- **a.** [ ] Effective __________, the Plan allows Military Spouses to enter the Plan and receive Employer Contributions equal to Employer Contributions that similarly situated Employee Participants who are not Military Spouses would receive as of the earlier of the date that is two months following the Military Spouse's date of hire or the entry date that would otherwise apply under the Plan's terms. Employer Contributions made to Military Spouses shall be 100% vested.
- **b.** [ ] The following terms apply to this Section: __________.

3. Matching Qualified Student Loan Payments
The Plan does not permit matching contributions to be based on Qualified Student Loan Payments.
- **a.** [ ] Effective __________, Qualified Student Loan Payments are included in the definition of "Matched Employee Contribution".
- **b.** [ ] The following terms apply to this Section: __________.

4. Emergency Personal Expense Distributions
The Plan does not permit Emergency Personal Expense Distributions to be made and does not allow recontribution of said distributions.
- **a.** [ ] Effective __________, Employees eligible to make Rollover Contributions may recontribute all or a portion of Emergency Personal Expense Distributions to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and Such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:
  - **i.** [ ] this Plan.
  - **ii.** [ ] any eligible retirement plan (as defined in Code section 402(c)(8)(B)).
- **b.** [ ] Effective __________, Participants may receive Emergency Personal Expense Distributions.
- **c.** [ ] The following terms apply to this Section: __________.

5. Auto-Portability Transactions
The Plan does not accept contributions nor allow distributions made via Automatic Portability Transaction.
- **a.** [ ] Effective __________, the Plan may receive Rollover Contributions via Automatic Portability Transaction.
- **b.** [ ] Effective __________, the Plan may distribute assets via Automatic Portability Transaction.
- **c.** [ ] The following terms apply to this Section: __________.

6. Involuntary force-out limit increase
The maximum vested account balance subject to involuntary force-out is unchanged.
- **a.** [X] Effective July 01, 2026, the maximum vested account balance subject to involuntary force-out is increased to $7,000.
- **b.** [ ] Effective __________, the minimum Account balance for the Qualified Joint and Survivor Annuity Consent requirements increases to $__________.
- **c.** [ ] The following terms apply to this Section: __________.

7. Domestic Abuse Distributions
The Plan does not permit distributions to be made on account of Domestic Abuse and does not allow recontribution of said distributions.

a. [X] Effective July 01, 2026, Employees eligible to make Rollover Contributions may recontribute all or a portion of distributions received on account of Domestic Abuse to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:

- **i. [X]** this Plan.
- **ii. [ ]** any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b. [X] Effective July 01, 2026, Participants may receive distributions on account of Domestic Abuse.

c. [ ] No Domestic Abuse Distributions to a Participant may exceed $__________.

d. [ ] No Domestic Abuse Distributions to a Participant may exceed __________% of the present value of that Participant's nonforfeitable accrued benefit under the Plan.

e. [ ] The following terms apply to this Section: __________.

8. Recontribution of distributions to Terminally-Ill Participants

The Plan does not allow Terminally-Ill Participants to recontribute distributions made on account of terminal illness.

a. [ ] Effective __________, the Plan permits Terminally-Ill Participants who are eligible to make a rollover contribution to the Plan to recontribute to the Plan distributions on account of terminal illness. Such recontributions may only be made within a three-year period beginning on the day after such distribution is received and shall be treated as Rollover Contributions. In order to be eligible for repayment, the distribution may originate from:

- **i. [ ]** this Plan.
- **ii. [ ]** any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b. [ ] The following terms apply to this Section: __________.

9. Qualified Disaster-Related Loans

Loan terms are not modified for Participants who reside within a Qualified Disaster Area.

a. [ ] Effective __________, the dollar-based maximum loan amount that applies to loans that are Qualified Disaster-Related Loans is the lesser of

- **i.** $__________, reduced by the greater of
  - **A.** the outstanding balance on any loan from the Plan to the Participant on the date the loan is made and
  - **B.** the highest outstanding balance on loans from the Plan to the Participant during the one-year period ending on the day before the date the loan is approved by the Plan Administrator (not taking into account any payments made during such one-year period), and
- **ii.** __________of the value of the Participant's vested Account (as of the Valuation Date immediately preceding the date on which such loan is approved by the Plan Administrator).

b. [ ] Effective __________, if a loan is outstanding on or after the first day of an Incident Period of its Qualified Disaster, the due date for any repayment with respect to such loan that is due during the period beginning on the first day of the Incident Period, and ending on the date which is 180 days after the last day of the Incident Period, will be delayed under the Plan for one year. The period of delay will be disregarded in determining the term of the loan and the level of amortization under Code sections 72(p)(2)(B) and (C). Any payments after the suspension period will be adjusted to reflect the delay and interest accruing during the delay.

c. [ ] The following terms apply to this Section: __________.

10. Qualified Disaster Recovery Distributions and repayment of Qualified Home Purchase Distributions

The Plan does not permit Qualified Disaster Recovery Distributions to be made and does not allow recontribution of either Qualified Disaster Recovery Distributions or Qualified Home Purchase Distributions.

a. [ ] Effective __________, Employees eligible to make Rollover Contributions may recontribute all or a portion of Qualified Disaster Recovery Distributions to the Plan. Such recontributions shall be subject to the same provisions governing Rollover Contributions and may only be made within a three-year period beginning on the day after such distribution is received. In order to be eligible for repayment, the distribution may originate from:

- **i. [ ]** this Plan.
- **ii. [ ]** any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

b. [ ] Effective __________, Participants may receive Qualified Disaster Recovery Distributions.

c. [ ] Effective __________, Participants are permitted to repay Qualified Home Purchase Distributions within a three-year period beginning on the day after such distribution is received that are made from:

- **i. [ ]** this Plan.
- **ii. [ ]** any eligible retirement plan (as defined in Code section 402(c)(8)(B)).

d. [ ] The following terms apply to this Section: __________.

11. Long-Term Part-Time Employees ("LTPT Employees")

The default LTPT provisions in Section L of the Standard Provisions will apply to the extent they are not overwritten by options selected in this Section.

- **a.** **[ ]** Effective July 01, 2026, when calculating LTPT Employee status, Eligibility Computation Periods will switch to Plan Year.
- **b.** **[X]** Effective July 01, 2026, LTPT Employees who are Participants may make Age Restricted Catch-up Contributions.
- **c.** **[X]** Effective July 01, 2026, LTPT Employees who are Participants with 15 years of service as calculated under Treas. Reg. § 1.403(b)-4(e) may make Special Long Service Contributions.
- **d.** **[X]** Effective July 01, 2026, LTPT Employees who are Participants are eligible to make Roth Elective Deferrals.
- **e.** **[X]** Effective July 01, 2026, LTPT Employees who are Participants are eligible to make Rollover Contributions.
- **f.** **[ ]** Effective ___________, LTPT Employees shall be automatically enrolled in the Plan for purposes of making Elective Deferrals according to the provisions selected in the Adoption Agreement and outlined in the Basic Plan Document. The automatic contribution arrangement for LTPT Employees is intended to qualify as:
  - **i.** **[ ]** an EACA;
  - **ii.** **[ ]** a QACA.
- **g.** **[X]** Effective July 01, 2026, LTPT Employees may apply for a loan from the Plan according to the same terms as other Participants.
- **h.** **[ ]** Effective ___________, LTPT Employees who have entered the Plan will be included for purposes of determining whether the Plan satisfies the requirements of Code section 403(b)(12).
- **i.** Subject to the following as of the effective date listed for each Section:
  - **i.** **[ ]** effective ___________, LTPT Employees are eligible to make Voluntary Contributions (after-tax contributions) and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: ___________;
  - **ii.** **[ ]** effective ___________, LTPT Employees are eligible to receive Mandatory Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: _______ ;
  - **iii.** **[ ]** effective ___________, LTPT Employees are eligible to receive Safe Harbor ___________ Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: ___________;
  - **iv.** **[ ]** effective ___________, LTPT Employees are eligible to receive Fixed Employer Matching Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: ___________;
  - **v.** **[ ]** effective ___________, LTPT Employees are eligible to receive Discretionary Employer Matching Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following terms: ___________;
  - **vi.** **[ ]** effective ___________, LTPT Employees are eligible to receive Employer Non-Elective Contributions and shall enter the Plan for such purposes under the terms selected in the Adoption Agreement or Participation Agreement, subject to the following restrictions subject to the following terms: ___________;
- **j.** **[ ]** Effective ___________, the following terms apply to this Section: ___________.

12. Pension-Linked Emergency Savings Accounts

The Plan does not provide Pension-Linked Emergency Savings Accounts.

- **a.** **[ ]** Effective ___________,
  - **i.** **[ ]** Pension-Linked Emergency Savings Accounts are allowed, and
  - **ii.** **[ ]** instead of the minimum listed in the Standard Provisions, Participants may take a minimum of ___________ distributions from their Pension-Linked Emergency Savings Accounts each month.
- **b.** **[ ]** The Account balance limitation for Pension-Linked Emergency Savings Accounts is modified as follows:
  - **i.** **[ ]** the overall Account balance limit on Pension-Linked Emergency Savings Accounts is reduced to $___________.
  - **ii.** **[ ]** the Account balance limit is adjusted to include earnings on contributions to the Account.
- **c.** **[ ]** Effective ___________, Participants who are Nonhighly Compensated Employees shall automatically defer ___________% of Plan Compensation into the Account on a Roth basis.
- **d.** **[ ]** The following terms apply this Section: ___________.

13. Self-certification of hardship criteria

In determining whether a distribution is upon the hardship of an employee, a Plan Administrator may rely on Participants' written self-certification that the distribution meets the safe harbor hardship withdrawal requirements under the Plan.

- **a.** **[ ]** Effective ___________, a Plan Administrator may not rely on Participants' written self-certification that the distribution meets the safe harbor hardship withdrawal requirements under the Plan.
- **b.** **[ ]** The following terms apply this Section: ___________.

14. Hardship distribution sources

A Participant may receive a distribution on account of hardship from the Accounts specified in the Adoption Agreement.

- **a.** **[ ]** Effective ___________, a Participant may also receive a distribution on account of hardship from the following.

i. [ ] Earnings on Elective Deferrals
ii. [ ] Qualified Matching Contributions
iii. [ ] Qualified Non-Elective Contributions

b. [ ] The following terms apply this Section: __________.

15. Roth Requirement for Age Restricted Catch-Up Contributions

When determining Highly-Paid Individual status, only wages paid by a Participant's common-law employer will be counted.

a. [ ] For purposes of determining Highly-Paid Individual status, in addition to counting wages paid by a Participant's common-law employer, wages will be counted if paid by:
   i. [ ] effective __________, a common paymaster, as defined under Code section 3121(s), used by the employer;
   ii. [ ] effective __________, an entity related to the employer under Code sections 414(b), (c), (m), or (o); and
   iii. [ ] effective __________, if the common-law employer is a successor employer on account of an asset purchase in accordance with Treasury Regulation section 31.3121(a)(1)-(1)(b), the predecessor employer.
   iv. [ ] effective __________, the following entities: __________.

b. [ ] Effective __________, the following Participants are prohibited from making Age Restricted Catch-up Contributions:
   i. [ ] Highly Compensated Employees;
   ii. [ ] Highly Paid Individuals.

c. [ ] Highly Paid Individuals may only make Special Long Service Catch Up Contributions on a Roth basis and unless they opt out of making such contributions on a Roth basis or consent to having them recharacterized as having been made on a Roth basis.

d. [ ] The following terms apply this Section: __________.

16. Higher Age Restricted Catch-up Contribution limit for ages 60 - 63

To the extent the Plan permits Age Restricted Catch-up Contributions, the Enhanced Catch-up Limit applies to Employees eligible to make Age Restricted Catch-up Contributions as of the earlier of January 1, 2025, or the date Age Restricted Catch-up Contributions are so permitted.

a. [ ] Effective __________, the Enhanced Catch-up Limit does not apply.

b. [ ] The following terms apply to this Section: __________.

17. Qualified Long-Term Care Distributions

Qualified Long-Term Care Distributions are not permitted.

a. [ ] Effective __________, Qualified Long-Term Care Distributions are permitted.

b. [ ] The following terms apply to this Section: __________.

18. Available timing rules for distributions after death for Eligible Designated Beneficiaries

Eligible Designated Beneficiaries may choose from any of the distribution timing rules available to them in the Standard Provisions.

a. [ ] Effective __________, Eligible Designated Beneficiaries are only allowed to have distributions occur according to the following rules:
   i. [ ] 5-Year Rule;
   ii. [ ] 10-Year Rule;
   iii. [ ] Life Expectancy Rule.

19. Default timing rule for distributions after death made to Eligible Designated Beneficiaries

If a distribution timing rule is not selected by an Eligible Designated Beneficiary, then the 10-Year Rule will apply.

a. [ ] Effective __________, if a distribution rule is not selected by an Eligible Designated Beneficiary, then the following rule will apply:
   i. [ ] 5-Year Rule;
   ii. [ ] Life Expectancy Rule.
   iii. [ ] The following terms apply to the available timing rules and the Default Timing Rule for Eligible Designated Beneficiaries: ____.

20. Available timing rules for distributions after death for designated Beneficiaries other than Eligible Designated Beneficiaries

Designated Beneficiaries who are not Eligible Designated Beneficiaries may choose any of the distribution timing rules available to them in the Standard Provisions.

a. [ ] Effective __________, designated Beneficiaries other than Eligible Designated Beneficiaries are only allowed to have distributions occur according to the following rules:
   i. [ ] 5-Year Rule;
   ii. [ ] 10-Year Rule.

21. Default timing rule for distributions after death made to designated Beneficiaries other than Eligible Designated Beneficiaries

If a distribution timing rule is not selected by a designated Beneficiary other than Eligible Designated Beneficiaries, then the 10-Year Rule will apply.

a. [ ] Effective __________, if a distribution rule is not selected by a designated Beneficiary who is not an Eligible Designated Beneficiary, then the 5-Year Rule will apply.

b. [ ] The following terms apply to the distribution timing rules and default rule for Non-Eligible Designated Beneficiaries: __________.

22. Additional effective dates

No additional effective dates apply to this Addendum.

a. **[ ]** Additional effective dates apply as follows: __________.

STANDARD PROVISIONS

A. Qualified Birth or Adoption Distribution Repayment

If Qualified Birth or Adoption Distributions are permitted, Qualified Birth or Adoption Distributions made after December 29, 2022, may only be recontributed to the Plan within the three years following the day after such a distribution is received, and subject to any future contrary order issued by a court of competent jurisdiction or guidance issued by the Secretary of the Treasury, Qualified Birth or Adoption Distributions made on or before December 29, 2022, may only be recontributed at any time before January 1, 2026.

B. Employer Contributions made on a Roth basis

1. All types of compensation (e.g., Plan Compensation) shall be determined without regard to Employer Contributions made on a Roth basis.
2. Amounts that are subject to an in-Plan Roth transfers and in-Plan Roth Rollovers that are associated with Employer Contributions shall be so moved to designated Roth Accounts of the same type of Employer Contribution instead of to a Roth Elective Deferral Account.

C. Qualified Student Loan Payments

"Qualified Student Loan Payment" means a payment made by a Participant on any indebtedness incurred by the taxpayer solely to pay the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, as in effect on the day before the date of the enactment of the Taxpayer Relief Act of 1997) at an eligible educational institution (as defined in Code section 221(d)(2)) if

1. Such costs
   a. Were incurred on behalf of the Participant, the Participant spouse, or any person who was a dependent of the Participant as of the time the indebtedness was incurred;
   b. Were paid or incurred within a reasonable period of time before or after the indebtedness was incurred; and
   c. Are attributable to education furnished during a period where the person on whose behalf the indebtedness occurred was an "Eligible Student" (as defined in Code section 25A(b)(3)); and
2. The Participant certifies at least annually that such payments have been made.

D. Military Spouses

"Military Spouse" means any individual other than a Highly Compensated Employee who is married, as defined by Code section 7703, as of the first date that the Employee is employed by the Employer to an individual who is a member of the uniformed services, as defined in 10 U.S. Code section 101(a)(5), serving on active duty. An Employer may rely on an Employee's certification that such Employee's spouse is a member of the uniformed services if such certification provides the name, rank, and service branch of such spouse.

E. Emergency Personal Expense Distributions

"Emergency Personal Expense Distribution" means a distribution that is made from this Plan for purposes of meeting unforeseeable or immediate financial needs relating to necessary personal or family emergency expenses. The Plan Administrator may rely on the Participant's written self-certification that the Participant satisfies the prior sentence. A distribution to a Participant may only qualify as an Emergency Personal Expense Distributions once per calendar year. Additionally, if a Participant takes an Emergency Personal Expense Distributions under this Plan, the Participant is prohibited from taking other Emergency Personal Expense Distributions from this Plan during the immediately following three calendar years unless the distribution is fully repaid or the aggregate amount of Elective Deferrals made to the Plan on behalf of the Participant subsequent to the date the distribution is made at least equals the amount of said distribution. No such distribution may exceed $1,000 minus an individual's total nonforfeitable accrued benefit under the Plan, determined as of the date of such distribution.

F. Auto-Portability Transactions

"Automatic Portability Transaction" means a transfer of assets made as follows:

1. From an individual retirement plan which is established on behalf of an individual and to which amounts were transferred under Code section 401(a)(31)(B)(i);
2. To an employer-sponsored retirement plan described in clause (iii), (iv), (v), or (vi) of Code section 402(c)(8)(B) (other than a defined benefit plan) in which such individual is an active participant; and
3. After such individual has been given advance notice of the transfer and has not affirmatively opted out of such transfer.

G. Distributions made on account of Domestic Abuse

1. "Domestic Abuse" means physical, psychological, sexual, emotional, or economic abuse, including efforts to control, isolate, humiliate, or intimidate the victim, or to undermine the victim's ability to reason independently, including by means of abuse of the victim's child or another family member living in the household.
2. "Domestic Abuse Distribution" means a distribution made on account of Domestic Abuse.
3. A distribution is considered to have been made on account of Domestic Abuse if made during a 1-year period beginning on any date that the Participant is a victim of Domestic Abuse by a spouse or domestic partner. The Plan Administrator may rely on an individual's self-certification that the individual was a victim of Domestic Abuse on a certain day or during a specified period of time.

4. Unless indicated otherwise in applicable Optional Provisions, no Domestic Abuse Distribution to a Participant may exceed 50% of the present value of that Participant's nonforfeitable accrued benefit under the Plan nor $10,000, as adjusted for inflation under Code section 72(t)(2)(K)(vii) and associated regulations.

H. Loans and distributions related to natural disasters

1. "Qualified Disaster" means any disaster with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
2. "Qualified Disaster Area" means with respect to any Qualified Disaster is the area with respect to which the major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
3. "Incident Period" means the period specified by the Federal Emergency Management Agency as the period during which a Qualified Disaster occurred.
4. "Qualified Disaster-Related Loan" means a loan made to a Participant whose principal place of abode was within a Qualified Disaster Area during the related Qualified Disaster's Incident Period and who sustained an economic loss by reason of such Qualified Disaster.
5. "Applicable Date" means, for any Qualified Disaster, the later of
   - **a.** The first day of that Qualified Disaster's Incident Period or
   - **b.** The date that Qualified Disaster was declared to be a major disaster.
6. "Qualified Disaster Recovery Distribution" means a distribution where the following conditions are met:
   - **a.** the distribution is made
     - **i.** on or after the first day of the Incident Period and
     - **ii.** before the date that is 180 days after Applicable Date;
   - **b.** the Participant's principal place of abode was within the Qualified Disaster Area at any time during the period specified in Subsection (2);
   - **c.** the Participant sustained an economic loss by reason of such disaster; and
   - **d.** the sum of the distribution and all prior Qualified Disaster Recovery Distributions made to the Participant across all qualified retirement plans does not exceed $22,000 with respect to the same Qualified Disaster, with no fiduciary having responsibility to determine if the Participant has exceeded this limit by taking such distributions from plans other than plans maintained by the Employer or held responsible for a breach of this limit, if the limit could have been satisfied within all plans maintained by the Employer at the time of the distribution.
7. Unless indicated otherwise in applicable Optional Provisions, if Qualified Disaster-Related Loans are allowed, the limits applicable to such loans are increased from
   - **a.** $50,000 to $100,000 and
   - **b.** one-half of the present value of the non-forfeitable accrued benefit of the Participant under the Plan to the present value of the nonforfeitable accrued benefit of the Participant under the Plan.
8. "Qualified Home Purchase Distribution" means any qualified distribution (as defined in either Code section 72(t)(8)(F) or section 402(c)(13)(B)).

I. Distributions to Terminally-Ill Participants

A person is considered to be "Terminally-Ill" if the person is afflicted with a physician-certified illness or physical condition reasonably expected to result in death within 84 months of the date of certification who has furnished evidence of such affliction to the Plan Administrator.

J. Pension-Linked Emergency Savings Accounts

1. "Pension-Linked Emergency Savings Account" means an individual, short-term savings account maintained as part of the Plan that is a Roth Account. Such Account shall
   - **a.** not have a minimum contribution or balance requirement and either be held as cash, held in an interest-bearing deposit account, or held in an investment product designed to maintain over the term of the investment, the dollar value that is equal to the amount invested in the product, preserve principal, and provide a reasonable rate of return (whether or not such return is guaranteed, consistent with the need for liquidity), and offered by a State or federally-regulated financial institution;
   - **b.** separately accounts for contributions and applicable earnings made to such Account;
   - **c.** only accept contributions from Participants who are not Highly Compensated Employees; and
   - **d.** unless indicated otherwise in applicable Optional Provisions, not accept a contribution to the extent such contribution would cause the portion of the Account's balance attributable to Participant contributions without accounting for earnings to exceed $2,500, as modified by the cost-of-living adjustment provided under ERISA section 801(d) and associated regulations.
2. Participants may take at least one withdrawal from their Pension-Linked Emergency Savings Account each month.
3. No charge or fee may be applied to the first four withdrawals made each Plan Year by a Participant from the Participant's Pension-Linked Emergency Savings Account solely on the basis of withdrawal itself.
4. Distributions may be made from Pension-Linked Emergency Savings Accounts at any time and for any reason.

5. Participants with a balance in a Pension-Linked Emergency Savings Account may direct all or a portion of their balances to be transferred to one of their other, if any, Roth Accounts under the Plan, upon removal of Pension-Linked Emergency Savings Accounts from the Plan or termination of employment. Amounts that are not transferred according to this section shall be made available to the Participants and may be classified as Rollover Distributions.
6. Upon Plan Termination, balances associated with a Pension-Linked Emergency Savings Account shall be made available to the Participants and may be classified as Rollover Distributions.
7. The definition of "Matched Employee Contribution" shall include Elective Deferrals contributed to a Pension-Linked Emergency Savings Account to the extent Matching Contributions made on account of contributions to the Pension-Linked Emergency Savings Account in a Plan Year do not exceed the Pension-Linked Emergency Savings Account balance limitation for that Plan Year.

K. Required Eligible Automatic Contribution Arrangements

1. Regardless of selections made in the Optional Provisions, if the Plan is subject to ERISA, Covered Employees must be automatically enrolled according to the Eligible Automatic Contribution Arrangement rules laid out in the Basic Plan Document as modified by the Adoption Agreement or Participation Agreement, at a rate of least 3% of Plan Compensation during their Initial Periods, with such rate increasing by at least one full point each period until reaching a rate of at least 10% but not more than 15% of Plan Compensation unless one of the following exceptions applies.
   - **a.** An Employee has affirmatively elected to contribute a set amount of Plan Compensation as Elective Deferrals, including elections to defer 0% of Plan Compensation.
   - **b.** The Plan
     - **i.** qualifies as a church plan under Code section 414(e); or
     - **ii.** qualifies as a governmental plan under Code section 414(d).
   - **c.** The Employee's employer:
     - **i.** adopted the cash or deferral arrangement before December 29th, 2022;
     - **ii.** has existed for less than 3 years;
     - **iii.** normally employs no more than 10 Employees; or
     - **iv.** ceased employing less than 11 Employees during a tax year that closed within the last year.
2. "Covered Employees" has the meaning selected in the Adoption Agreement. If no selection is made, "Covered Employees" means only Eligible Employees who have not made an Elective Deferral election.

L. Long-Term Part-Time Employees

1. Effective for Plan Years beginning after December 31, 2024, "LTPT Employee" means any Employee who meets all the following requirements.
   - **a.** The Employee has not entered the Plan for Elective Deferral purposes other than through meeting the requirements of (b) and (c) below, as modified by the Optional Provisions.
   - **b.** The Employee has attained age 21.
   - **c.** Beginning with Eligibility Computation Periods starting after December 31, 2022, the Employee has completed 500 Hours of Service in each of two consecutive Eligibility Computation Periods. A series of Eligibility Computation Periods shall not qualify under this Subsection unless the age requirement of (b) is met before the close of the final Eligibility Computation Period.
   - **d.** The Employee is either an Eligible Employee for purposes of Elective Deferrals or would be an Eligible Employee for such purposes if the Adoption Agreement did not exclude Employees who normally work fewer than 20 hours per week from the definition of Eligible Employee for purposes of Elective Deferrals.
   - **e.** Unless otherwise specified in the Optional Provisions, LTPT Employees who have not subsequently satisfied non-LTPT Employee Elective Deferral participation requirements are excluded from the requirements of Code section 403(b)(12).
2. Subject to the selections made in the Optional Provisions:
   - **a.** the only contributions LTPT Employees are permitted to make to the Plan are Pre-Tax Elective Deferrals that are neither Age Restricted Catch-up Contributions nor Special Long Service Catch-up Contributions;
   - **b.** when calculating LTPT Employee status, Eligibility Computation Periods do not switch to Plan Year after the first Eligibility Computation Period;
   - **c.** the entry date for LTPT Employees shall be the same entry date selected in the Adoption Agreement for non-LTPT Employees; and
   - **d.** if LTPT Employees are exempt from the mandatory automatic enrollment provisions that apply to non-LTPT Employees, LTPT Employees shall not be automatically enrolled.

M. Qualified Long-Term Care Distributions

1. "Qualified Long-Term Care Distribution" means so much of a distribution that
   - **a.** is associated with a Long-Term Care Premium Statement (as defined in Code Section 401(a)(38)(E)(ii)) that has been filed with the Plan and
   - **b.** does not exceed the lesser of the following, as modified by the cost-of-living adjustment provided under Code section 401(a)(39)(B)(ii):

i. the amount paid by or assessed to the Employee during the year for or with respect to Certified Long-Term Care Insurance for the Employee, Employee's spouse, or other persons included by the Secretary of the Treasury now or at a later date;
ii. $2,500; and
iii. 10% of the present value of the Employee's nonforfeitable accrued benefit under the Plan.

2. "Certified Long-Term Care Insurance" means any of the following that provide meaningful financial assistance in the event the insured needs home-based or nursing home care, as required under Code section 401(a)(38)(C):
   a. a qualified long-term care insurance contract (as defined in Code section 7702B(b)) covering qualified long-term care services (as defined in Code section 7702B(c));
   b. coverage of the risk that an insured individual would become a chronically ill individual (within the meaning of Code section 101(g)(4)(B)) under a rider or other provision of a life insurance contract which satisfies the requirements of Code section 101(g)(3) (determined without regard to subparagraph (D) thereof); or
   c. coverage of qualified long-term care services (as defined in Code section 7702B(c)) under a rider or other provision of an insurance or annuity contract which is treated as a separate contract under Code section 7702B(e) and satisfies the requirements of Code section 7702B(g).

N. Roth Requirement for Age Restricted Catch-up Contributions

1. "Highly-Paid Individual" means an individual who received FICA wages for purposes of Code sections 3101(a) and 3111(a) from an employer that is an Adopting Entity that exceed $145,000, as modified by the cost-of-living adjustment provided under Code section 414(v)(7)(E), in the prior calendar year.
2. Effective as of the taxable year beginning on or after December 31, 2025, pre-tax Elective Deferrals made by Highly-Paid Individuals may be recharacterized as Roth Age Restricted Catch-up Contributions, and each Highly-Paid Individual shall be deemed to have consented to such a recharacterization. Age Restricted Catch-up Contributions made by Highly-Paid Individuals must be either:
   a. made on a Roth basis,
   b. recharacterized as having been made on a Roth basis through any method allowed under applicable IRS regulations, including but not limited to allowing In-Plan Roth Rollovers and In-Plan Roth Transfers for such Participants even if not otherwise allowed under the Plan, provided such method is consistent among similarly situated Participants in any given Plan Year, or
   c. treated as a failure under Code section 414(v)(1) and distributed to the applicable Highly-Paid Individuals or corrected in another manner specified by Treasury regulations.
3. Unless otherwise indicated in the Optional Provisions, this Section shall not apply to Special Long Service Catch-up Contributions.

O. Enhanced Catch-up Contributions

1. "Enhanced Catch-up Limit" means 150% of allowable Age Restricted Catch-up Contributions listed in the Basic Plan Document, excluding any modifications made under Section 14 of the Optional Provisions, as described in Code section 414(v)(2)(B)(i) and modified by the cost-of-living adjustments provided under Code section 414(v)(2)(C).
2. Subject to modifications made in the Optional Provisions, for any taxable year, the amount of allowable Age Restricted Catch-up Contributions for any Participant who has attained at least age 60 but not age 64 by the end of said year shall increase to the Enhanced Catch-up Limit.

P. Distributions on account of death

1. "5-Year Rule" means the requirement that a deceased former Employees' balance in the Plan be fully distributed by the end of the calendar year containing the fifth anniversary of their deaths.
2. "10-Year Rule" means the requirement that a deceased former Employees' balance in the Plan be fully distributed by the end of the calendar year containing the tenth anniversary of their deaths.
3. "Life Expectancy Rule" means the requirement that
   a. A Beneficiary of either deceased former Employees or the spouse of such Employees take annual distributions that satisfy the minimum distribution requirements listed in Section 7.05 of the Basic Plan Document, except required minimum distribution amounts shall be calculated using the oldest Beneficiary's remaining life expectancies and according to one of the following:
      i. if a deceased former Employee has a Beneficiary who is not a surviving spouse, remaining life expectancy is determined initially using Beneficiary age as of the Beneficiary's birthday in the calendar year following death, and for subsequent calendar years, by reducing that initial life expectancy by one for each calendar year that has elapsed after that first calendar year; or
      ii. if a surviving spouse is a deceased former Employee's sole Beneficiary, remaining life expectancy is redetermined each distribution calendar year up to and including the calendar year of the spouse's death using the surviving spouse's age as of the surviving spouse's birthday in the distribution calendar year, and by reducing the spouse's remaining life expectancy in the calendar year of the spouse's death by one for each calendar year that has elapsed after that calendar year.
   b. if a surviving spouse who is more than 10 years younger than the deceased former Employee, the calculation is made using the joint and last survivor life expectancy for the Employee and spouse using the Joint and Last Survivor Table in Treas. Reg. 1.401(a)(9)-9(d).

- **c.** Such distributions of funds begin before either
  - **i.** the end of the calendar year in which the former Employees would have attained the Applicable Age, but only to the extent Beneficiaries of the funds are solely the Employees' surviving spouses, or
  - **ii.** the end of the calendar year following the year of death; and
- **d.** Distributions continue in accordance with subsections (a) and (b) until such balances are fully distributed unless the Beneficiary is an Eligible Designated Beneficiary solely by reason of subsection (5)(a)(ii) below, in which case the 10-Year Rule shall apply once the Eligible Designated Beneficiary reaches age 21.

4. "Licensed Health Care Practitioner" means any physician, as defined in section 1861(r)(1) of the Social Security Act, and any registered professional nurse, licensed social worker, or other individual who meets such requirements as may be prescribed by the Secretary of the Treasury.

5. "Eligible Designated Beneficiary" means a named Beneficiary who either
- **a.** is a Beneficiary of a deceased former Employee who only has Beneficiaries that satisfy one of the following criteria:
  - **i.** on the date of the Participant's death, the Beneficiary is a surviving spouse of the Participant;
  - **ii.** on the date of the Participant's death, the Beneficiary is a child, as defined in Code section 152(f)(1), of the Participant who has not reached age 21;
  - **iii.** on the date of the Participant's death, the Beneficiary is one of the following and if documentation of the same is provided to a Plan Administrator before the later of November 1, 2025, and November 1 of the calendar year following the year of the Participant's death:
    - **A.** disabled according to the Commission of Social Security,
    - **B.** younger than age 18 and has a medically determinable physical or mental impairment that results in marked and severe functional limitations and that can be expected to result in death or to be of long-continued and indefinite duration,
    - **C.** or unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to be of long-continued and indefinite duration;
  - **iv.** on the date of the Participant's death, the Beneficiary is chronically ill as defined in Code section 7702B(c)(2), and certification from a Licensed Health Care Provider is provided to a Plan Administrator before the later of November 1, 2025, and November 1 of the calendar year following the year of the Participant's death that indicates as of the date of the certification,
    - **A.** the individual is unable to perform at least two activities of daily living without substantial assistance from another and
    - **B.** such inability is indefinite and reasonably expected to be lengthy in nature; or
  - **v.** The Beneficiary was not born more than 10 years after the Participant;
- **b.** is a Beneficiary of a deceased former Employee and satisfies the requirements of P(5)(a)(ii) above; or
- **c.** is a beneficiary of an applicable multi-beneficiary trust, as defined in Treas. Reg. § 1.401(a)(9)-4(g), that is itself designated as a Beneficiary of a deceased former Employee.

6. The following shall be inserted as Section 7.02(b) of the Basic Plan Document, and any existing Section 7.02(b) and all following subsections of Section 7.02 thereafter shall be relabeled in consecutive order to accommodate this insertion.
- **a.** Distribution on Account of Death.
  - **1.** Before Distribution Has Begun. If the Participant dies before distribution of his Account begins and such amount is not required to be distributed in the form of a qualified preretirement survivor annuity pursuant to Section 7.10, distribution of the Participant's entire Account, including any amounts attributable to an investment in a deferred annuity contract, shall be completed by the time and in the manner specified in the Adoption Agreement as amended. To the extent permitted in the amended Adoption Agreement, payments may be made as follows:
    - **A.** If the deceased former Employee Participant does not have a designated Beneficiary, distributions must satisfy the 5-Year Rule;
    - **B.** Payments to a designated Beneficiary other than an Eligible Designated Beneficiary must satisfy the 5-Year Rule or 10-Year Rule; and
    - **C.** Payments to an Eligible Designated Beneficiary must satisfy the 5-Year Rule, 10-Year Rule, or Life Expectancy Rule.
    - **D.** Annuity payments that satisfy the requirements of Treas. Reg. § 1.401(a)(9)-6 must commence no later than the commencement date required by the Life Expectancy Rule.
    - **E.** If the former Employee's surviving spouse is the employee's sole Beneficiary and dies before distributions required under 7.02(b) or 7.05 begin, the 5-Year, 10-Year, and Life Expectancy Rules are applied as if the surviving spouse were the Employee, and for this purpose, the surviving spouse's date of death is substituted for the former Employee's date of death.

If the Plan permits Participant elections under this Subsection (b)(1) and the Participant has not made an election as to form of payment by the time of his death, the Participant's Beneficiary must elect the method of distribution no later than the earlier of the end of the calendar year during which such funds must begin to be distributed under this section, the end of the calendar year following the year of death, or the date determined by the Plan Administrator.

If the surviving spouse dies after the Participant, the provisions of this Subsection (b)(1), with the exception of Subparagraph (E) therein, shall be applied as if the surviving spouse were the Participant.

2. After Distribution Has Begun. If the Participant dies after distribution of his Account has begun, the remaining portion of such Account will continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death. If the Participant's Account was not being distributed in the form of an annuity at the time of his death: (i) distribution of the Participant's entire Account, including any amounts attributable to an investment in a deferred annuity contract, shall be completed by the time and in the manner specified in the amended Adoption Agreement; and (ii) the Beneficiary may elect to receive the Participant's remaining vested Account balance in a lump sum distribution. To the extent permitted in the amended Adoption Agreement, payments may be made at least as rapidly as over the following periods:

A. A complete distribution shall be made by December 31 of the calendar year containing the fifth anniversary of the Participant's death; or

B. Distributions shall continue to be distributed at least as rapidly as the method of distribution being used prior to the Participant's death.

The Beneficiary shall provide the Plan Administrator with the death notice or other sufficient documentation before any payments are made pursuant to this Subsection.

Q. Required minimum distributions

1. The definition of "Required Beginning Date" is changed to mean April 1 of the calendar year following the later of the calendar year in which the Participant attains the Applicable Age or the calendar year in which the Participant retires, except that benefit distributions to a More Than 5% Owner must commence by April 1 of the calendar year following the calendar year in which the Participant attains the Applicable Age. The Adoption Agreement may provide that for a Participant other than a More Than 5% Owner the Required Beginning Date is April 1 of the calendar year following the calendar year in which the Participant attains the Applicable Age or the Participant may elect to begin receiving distributions by April 1 of the calendar year following the calendar year in which the Participant either attains the Applicable Age or retires.

2. "Applicable Age" means

a. Age 70-1/2 for people born before July 1, 1949;

b. Age 72 for people born after June 30, 1949 and before January 1, 1951;

c. Effective January 1, 2023, age 73 for people born after December 31, 1950 and before December 31, 1959;

d. Effective January 1, 2023, age 75 for people born after December 31, 1959.

3. As stated in Code section 402A(d)(5), which is hereby incorporated by reference, the required distribution rules associated with Code section 401(a)(9) do not apply to designated Roth Accounts.

R. Safe Harbor 403(b)

The following is intended to summarize and incorporate Code section 403(b)(16) and should be interpreted accordingly. The Plan is treated as satisfying Code section 403(b)(12) during any Plan Year beginning after December 31, 2023, where:

1. an automatic enrollment rate is provided in the Adoption Agreement for all Employees who are Participants who have not otherwise affirmatively elected to defer a percentage of Plan Compensation, which includes an election to defer 0%, to the Plan for Elective Deferral purposes that is

a. at least 3% of Plan Compensation and

b. does not exceed 15% of Plan Compensation;

2. the only contributions allowed under the Plan are elective contributions of Eligible Employees;

3. the aggregate amount of elective contributions which may be made for any calendar year shall not exceed

a. $6,000 as modified by the cost-of-living adjustment provided under Code section 403(b)(16)(D)(iii) for any employee under the age of 50 nor

b. the amount listed in (a) above plus $5,000 as adjusted by the cost-of-living adjustment provided under Code section 219(b)(5)(C) for all other Employees; and

4. the Employer does not maintain a qualified plan, as defined in Code section 403(b)(16)(E)(iii), with respect to which contributions are made, or benefits are accrued, for service in the year for which the determination is being made except

a. for such an arrangement where only individuals other than Employees described in Code section 410(b)(3)(A) are eligible to participate or

b. where relief provided under 403(b)(16)(E)(ii) applies.

S. Difficulty of Care Payments

Earned Income and Section 415 Compensation shall include difficulty of care payments as defined in Code section 131(c)(1)(A) that are otherwise excludable from income.

The undersigned agree to be bound by the terms of the foregoing addenda to the Plan and acknowledge receipt of same. The addenda are executed on _____________________.

WORKFORCE DEVELOPMENT CORPORATION OF SOUTHEAST LOS ANGELES COUNTY, INC:

Signature:________________________________

Print Name: ______________________________

Title/Position:_____________________________

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda L Castro, Executive Director

RE: Approval to Execute Lease Agreement for SELACO WDB Offices

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On May 28, 2026, the Southeast Los Angeles County Workforce Development Board (SELACO WDB) approved a proposed three-year lease extension for the SELACO WDB facility located at 10900 183rd Street, Cerritos, CA, Suites 350 and 392.

Following Board approval, the contracts compliance team initiated the lease execution process. During review, the management company identified a clerical error in the monthly base rent amount originally presented. The first-year monthly base rent was presented as $26,460 however, the corrected amount is $29,783 per month, which is consistent with the monthly base rent paid at the conclusion of the current lease scheduled to end on June 30, 2026.

After several discussions with the management company, SELACO WDB was unable to maintain the lower amount that had been presented in error. As a result, the corrected lease does not provide the anticipated monthly rent decrease; instead, the first-year rate remains flat at the same monthly base rent in effect at the end of the prior three-year lease. There is no increase and no decrease in the first year of the extension. The monthly base rent comparison is outlined below:

Presented in error	Actual
July 1, 2026 - June 30, 2027 $26,460 per month.	July 1, 2026 - June 30, 2027 ($29,783) per month.
July 1, 2027 - June 30, 2028 $27,254 per month.	July 1, 2027 - June 30, 2028 ($30,676) per month.
July 1, 2028 - June 30, 2029 $28,072 per month.	July 1, 2028 - June 30, 2029 ($31,597) per month.

In addition to the monthly base rent, a tenant improvement premium will be applied to recover improvements outside of standard maintenance. The estimated tenant improvement cost is $25,020 and will be amortized over the 36-month lease term, resulting in an additional $695 per month, equivalent to approximately $0.05 per square foot.

The tenant improvement estimate may decrease once installation begins and the actual square footage requiring upgraded flooring is confirmed. Areas not covered by the proposed upgraded flooring will receive new carpeting, which is included as part of standard maintenance. SELACO WDB will receive a credit for any tenant improvement payments made above the final actual cost.

Action Required:

- Approve the Executive Director to execute a three-year lease extension with a first-year monthly base rent of $29,783, plus an estimated tenant improvement premium of $695 per month, for an estimated first-year monthly total of $30,478.
- Approve the Executive Director to execute the scheduled annual lease increases under the three-year extension, based on an annual cost-of-living adjustment not to exceed 3%.
- Approve the Executive Director to authorize secondary costs associated with facility upgrades, including moving services, preparatory work, and other related costs necessary to complete the improvements.
- Approve the Executive Director to execute sublease agreements with the Employment Development Department and any other partner housed at the SELACO WDB facility, subject to the costs, terms, and conditions identified in the extended lease.

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Larry Wehage, SELACO WDB Board Chair

RE: Executive Director Contract Renewal

Attached for the Board's review and approval is the Sixth Amendment to the Executive Director's Employment Agreement for the Southeast Los Angeles County Workforce Development Board (SELACO WDB).

Following a successful performance evaluation conducted in October 2025, the Joint Personnel Committee recommends a 3.31% salary increase for the Executive Director. Accordingly, the amendment provides for an adjustment to the Executive Director's annual salary to $156,000, effective January 1, 2026.

Action Required:

Approve the Executive Director's SELACO WDB's Sixth Amendment Employment Agreement Contract as presented.

Sixth Amendment to Employment Agreement
Between
Southeast Los Angeles County Workforce Development Board
and
Yolanda Castro

This Sixth Amendment to the First Amended and Restated Employment Agreement ("Agreement") is made and entered into this 23rd day of July 2026, by and between the Southeast Los Angeles County Workforce Development Board, a California non-profit corporation (SELACO WDB), hereinafter called "Employer," and Yolanda L. Castro, an individual, hereinafter called "Employee." Employer and Employee may be referred to in this Agreement collectively as "the Parties."

WHEREAS, Employee has fulfilled the duties of the position of Executive Director of the SELACO WDB since March 1, 2013 to the satisfaction of Employer; and

WHEREAS, Employee's original two-year Employment Agreement was renewed for an additional two years under the terms of the First Amended and Restated Employment Agreement, with an expiration date of October 31, 2017 and renewed again for an additional five years through a Second Amendment to Employment Agreement; and

WHEREAS, in January 2023, the Third Amendment to Employee's Employment Agreement was approved, adjusting Employee's annual salary and extending the term of Employee's existing Employment Agreement for an additional five years, until December 31, 2027; and

WHEREAS, in March 2024, the Fourth Amendment to Employee's Employment Agreement was approved, adjusting Employee's annual salary; and

WHEREAS, in January 2025, the Fifth Amendment to Employee's Employment Agreement was approved, adjusting Employee's annual salary; and

WHEREAS, Employee and Employer now desire to adjust Employee's annual salary as set forth herein; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

I. Section 5("Salary") of the Agreement is amended to read:

Effective January 1, 2026, Employee's annual salary is $156,000.00 (one hundred, fifty-six thousand dollars). Employer agrees to pay Employee for her services rendered pursuant hereto, a monthly salary of $13,000 payable at the same time as other employees of Employer are paid, less any legally authorized withholding, such as federal and state taxes.

II. All other terms and conditions of the First Amended and Restated Employment Agreement shall remain the full force and effect, unless otherwise amended in writing.

IN WITNESS WHEREOF, Employer has caused this Agreement to be signed and duly executed on its behalf by its Chairman of the Board, in triplicate, on the 23rd day of July, 2026.

Employee has accepted the terms and conditions set forth in this Agreement effective as of the date of her signature below.

SOUTHEAST LOS ANGELES COUNTY WORKFORCE DEVELOPMENT BOARD

By:____
Larry Wehage, Chair Date

ATTEST:

By:______________________________
Secretary to the Board

EMPLOYEE:

By:____
Yolanda L. Castro Date

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda L Castro, Executive Director

RE: Election of Secretary/Treasurer

At the May 28, 2026, SELACO WDB Board Meeting, the Board approved the nomination of Rudy Villarreal to serve as Secretary/Treasurer. Effective July 15, 2026, Mr. Villarreal resigned from the SELACO WDB Board following his appointment and swearing-in as a Lakewood City Council Member on July 14, 2026.

As a result of this vacancy, the Board must select a new Secretary/Treasurer to serve the remainder of the term through June 30, 2027. A description of the position's roles and responsibilities has been provided for review.

Action Required:

Open the floor for nominations and conduct a vote to elect a Secretary/Treasurer to serve immediately through June 30, 2027.

Executive Committee Overview

The Workforce Development Board's (WDB) Executive Committee is composed of a **Chairperson**, **Vice-Chairperson**, **Secretary/Treasurer**, and **two At-Large Members**. In accordance with federal and state workforce requirements, the **Chairperson must be a representative of the private sector**.

Executive Committee Members are **elected annually** by the full Board of Directors during its annual meeting and serve **one-year terms**, continuing until a successor is elected. No individual may serve more than **two full consecutive terms** in any single Executive Committee office.

Members may resign at any time by submitting written notice to the Chairperson or Vice-Chairperson, with a copy to the WDB Executive Director. Resignations become effective on the date stated in the notice and do not require acceptance to take effect.

Vacancies in any Executive Committee office are filled by Board election for the remainder of the unexpired term. Executive Committee Members receive **priority consideration** for attendance at workforce-sponsored conferences and events.

The Executive Committee may act on behalf of the Board of Directors in limited circumstances as defined by the Bylaws. It generally functions as the **chief executive leadership body** of the corporation and carries out additional responsibilities as delegated by the Board.

Roles and Responsibilities

Chairperson

The Chairperson provides overall leadership to the Board of Directors and the Executive Committee. Responsibilities include:

- Calling and presiding over all meetings of the Board of Directors.
- Appointing two (2) Directors to serve as At-large members of the Executive Committee.
- Appointing Directors to serve on standing and ad hoc committees as needed.
- Signing contracts and official documents on behalf of the WDB, except where such authority has been delegated to the Executive Director or staff.
- Serving as the primary representative and spokesperson for the Board.

Vice-Chairperson
The Vice-Chairperson supports the Chairperson and:

- Performs all duties and exercises all powers of the Chairperson in their absence, unwillingness, or inability to act.
- Carries out additional responsibilities as delegated by the Chairperson.
- Ensures continuity of leadership and governance.

Secretary/Treasurer
With support from SELACO WDB leadership and staff, the Secretary/Treasurer ensures the maintenance of all required corporate records, including:

- Meeting announcements and minutes of all Board and committee meetings.
- The Articles of Incorporation and current Bylaws.
- An up-to-date roster of Directors, including names, addresses, and terms of appointment.
- Accurate books, accounts, and financial records of WDB property and transactions.

The Secretary/Treasurer also:

- Assumes the duties of the Vice-Chairperson when that officer is absent, unwilling, or unable to act.
- Performs additional duties assigned by the Board.

At-Large Members
At-Large Members:

- Are appointed by the Chairperson.
- Serve as full voting members of the Executive Committee and the general Board.
- Provide additional perspective, support, and leadership to ensure balanced representation and effective governance.

SELACO WIOA One Stop Operator Report

(Fourth Quarter 2026 – (April, May, June 2026)

Prepared by: David Baquerizo, ProPath, Inc. – SELACO One Stop Operator (07/15/26)

One Stop Operator Activities:

David Baquerizo and David Shinder facilitated a Systems Management Team (SMT) meeting in June for several of the mandated One Stop Partners and SELACO staff. We had an extensive agenda with various topics which made for a very informative meeting.

Our topics included:

A new program from the US Department of Labor.

The "Make America AI-Ready" Initiative. A free artificial intelligence literacy course that will help American workers learn the basics of AI simply by texting "READY" to 20202.

The course is uniquely designed to deliver bite-sized content and daily challenges to users entirely over text messages. Users can complete the course in seven days by engaging for just 10 minutes a day. The text message-based design is intended to be as accessible as possible to all Americans, including those without laptop or without limited access to the internet.

The Labor Department designed the course to be the starting point for American workers in their AI journey, and the course concludes by offering participants additional resources to learn more advanced AI skills or pursue AI-related careers, based on their unique goals an interest.

Workforce Pell Grant. We provided a brief update of the recent release of Draft Regulations that will cause noticeable changes in the way Pell Grants will be administered and utilized. There was good cross-agency discussion regarding program updates and preparation.

We also provided an update to the recent CalFresh changes due to H.R. 1 and discussed preparation strategies.

David Shinder also provided information in preparation for the next: AJCC certification process, and local and regional plan modifications.

Each agency was then able to share news and updates about their specific agency, prior to dismissal.

As the OSO, I also attended the June 16, Joint Board/Workforce Board meeting and strategic planning session.

Any questions or comments: My email is: Davidpropath@me.com

Thank you

SOUTHEAST LOS ANGELES COUNTY WORKFORCE DEVELOPMENT BOARD

A proud partner of America's Job Center of California℠

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda L. Castro, Executive Director

RE: Ethics Training AB1234

At the June 23, 2016, Southeast Los Angeles County Workforce Development Board (SELACO WDB) meeting, it was announced that all board members are required to take a mandatory two-hour ethics training every two years to comply with AB1234. As of May 28, 2026, the following board members have completed the training:

Michael Segura – expires August 9, 2026
Genoveva Perez – expires January 21,2027
Rudy Villareal – expires February 8, 2027
Larry Wehage – expires February 9, 2027
Blanca Rochin – expires May 26, 2027
Carrie Uva – expires July 9, 2027
Jennifer Beech – expires August 29, 2027
Belle Gomez – expires September 27, 2027
Sal Vasquez – expires October 22, 2027
Joseph Taylor – expires October 23, 2027
Leonard Barrales – expires December 6, 2027
Eddie Witt – expires March 23, 2028
Travis Crow – expires July 15, 2028

For those who have yet to complete the training, you may do so using the online course at:

http://localethics.fppc.ca.gov/login.aspx

As a reminder, you *must* print the Certification of Completion provided at the end and submit to Carol Davis.

If you have any questions regarding the training, please contact Carol directly at the SELACO WDB.

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda Castro, Executive Director

RE: 2026 Biennial Review Certification

The Political Reform Act requires every local government agency to review its conflict-of-interest code biennially to determine if any changes are needed.

The agency has not made any changes that would impact the filing requirements, therefore, the certification form will be completed and submitted with no amendments required at this time.

2026 BIENNIAL REVIEW CERTIFICATION FORM

Submit now or no later than October 1, 2026

Name of Agency: ____

Name of Agency Head: ____

Mailing Address: ____

City: ________________________ State: ____________ Zip Code: ________

Agency Code Officer: ___________________ Office Phone No.: ______________

E-Mail Address: ____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one box):

☐ **1. AN AMENDMENT IS REQUIRED (Check all that apply. You have 90 days to submit your changes):**

- ☐ Include new positions
- ☐ Revise disclosure categories
- ☐ Revise the titles of existing positions
- ☐ Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- ☐ Other *(describe)*____

☐ **2. NO AMENDMENT IS REQUIRED.**

(If your code has not been amended in more than five years, amendments may be necessary.)

Verification (to be completed EVEN if no amendment is required)

This agency's conflict of interest code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure categories assigned to those positions accurately require the disclosure of all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions. The code includes all other provisions required by Government Code Section 87302.

______________________________ ______________

Signature of Agency Head or Designee Date

All agencies must complete and return this notice even if no amendment is required, and regardless of how recently your code was approved or amended. Please submit this notice electronically no later than October 1, 2026 to COICODES-Desk@bos.lacounty.gov

PLEASE DO NOT RETURN THIS FORM TO THE FPPC

MEMORANDUM

DATE: July 23, 2026

TO: SELACO WDB Board of Directors

FROM: Yolanda L. Castro, Executive Director

RE: Summary and Key Takeaways – June 16, 2026, Joint Board Meeting and Strategic Planning Gathering

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Purpose

This memo provides a summary and key takeaways from the June 16, 2026, Joint Policy Board and Executive Committee and FULL Workforce Development Board (WDB) Meeting and Strategic Planning Gathering hosted by the City of Paramount.

Overview

The joint meeting was called to order by Policy Board Chair Jeff Wood (Vice Mayor, City of Lakewood) and Workforce Board Chair Larry Wehage (Business Representative, City of Bellflower). The Pledge of Allegiance was led by Councilmember Isabel Aguayo of the City of Paramount, a member of the Southeast Los Angeles County Workforce Development Board (SELACO WDB) Policy Board.

Following the completion of official board business, the session transitioned into a Strategic Planning Gathering designed to align board members, staff, and partners around SELACO WDB's Program Year 2026–2027 priorities. The structure of the day included formal presentations, peer dialogue, and facilitated breakout sessions aligned with federal workforce priorities. See attached agenda

A highlight of the convening was the recognition of SELACO WDB customer Stephen Glatt, whose successful transition from unemployment to securing a role as an AI Video Creative Strategist exemplifies the impact of SELACO WDB's workforce system.

Strategic Presentations

The gathering included two key presentations that framed the day's discussion:

- **State of Workforce (Federal and State Perspective)** – Presented by Adam Peck, Executive Director, California Workforce Association

- **Governance Roles and Workforce System Alignment** – Presented by David Shinder, Workforce Consultant

Mr. Shinder also introduced the U.S. Department of Labor's "Golden Age of Workforce Development" framework, highlighting five core pillars of workforce excellence that informed the strategic discussions throughout the day. See attached Power point of pillars.

Breakout Session Focus Areas

Participants engaged in three facilitated working groups designed to address the five federal pillars of workforce excellence:

1. **Industry-Driven Strategies**
   Focus on aligning business services and training strategies with industries in demand and labor market needs.
2. **Worker Mobility & Integrated Systems**
   Emphasis on strengthening career pathways, co-enrollment strategies, and partner coordination to improve outcomes for job seekers.
3. **Accountability, Flexibility & Innovation**
   Exploration of performance accountability, adaptable service delivery models, and opportunities to advance innovation within the workforce system.

Each group reviewed elements of SELACO WDB's Local Plan and provided recommendations to strengthen alignment with partner initiatives and regional priorities.

Key Takeaways

- **Strong Alignment with Federal Direction:**
  SELACO WDB's Local Plan is closely aligned with the U.S. Department of Labor's workforce pillars, reinforcing the Board's strategic direction.
- **Reinforced Governance Clarity:**
  The discussion on the distinct roles of the Policy Board and Workforce Board was timely and valuable, particularly for new members. See attached Roles and responsibilities of Policy Board vs WDB Board.
- **Stakeholder Engagement Is a Strength:**
  Active participation from local elected officials, businesses, and partner agencies resulted in meaningful dialogue and actionable feedback.
- **Opportunities for System Integration:**
  Breakout discussions highlighted the importance of deepening coordination across workforce, education, and community-based partners.
- **Focus on Innovation and Responsiveness:**
  Participants emphasized the need to continue evolving service delivery models to remain responsive to both employer needs and job seeker expectations.
- **Validation of SELACO WDB's Strategic Direction:**
  Feedback received during the sessions affirmed the relevance and strength of SELACO WDB's current priorities, while identifying areas for refinement and enhancement.

Next Steps

- Incorporate feedback from breakout sessions into ongoing implementation of the PY 2025–2028 Local Plan
- Continue engagement with stakeholders to strengthen alignment and partnerships
- Provide follow-up updates to both Boards on progress, adjustments, and outcomes

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Conclusion

The June 16, 2026, Strategic Planning Gathering successfully advanced SELACO WDB's commitment to collaboration, alignment, and continuous improvement. The session reinforced the Board's shared responsibility in driving a responsive, innovative, and results-driven workforce system for Southeast Los Angeles County.

SELACO WDB Joint Policy Board and
Executive Committee and Full WDB Board of Directors Meeting and
Strategic Planning Gathering

Tuesday, June 16, 2026

Location:	Progress Plaza 15500 Downey Avenue Paramount, CA 90723	
Schedule:		
9:00-9:45	Joint Board Meeting -Addressing Board Business	Policy Board and WDB Board of Directors
9:45	Break	
10:00-12:15	Guest Speakers -The State of Workforce from a Federal & State Lens -Federal Workforce Blueprint: The Golden Age of Workforce	Adam Peck CWA Executive Director David Shinder Workforce Consultant
12:15	Lunch	
1:00-2:10	Strategic Planning Session -Game Plan with your Local Initiatives	Workgroups
2:10	Emerging Interest for the SELACO WDB -Exploring New Opportunities	Jeff Wood Policy Board Chair
2:45	Closing Comments & Adjournment	Yolanda Castro Executive Director

AMERICAN'S TALENT STRATEGY: BUILDING THE WORKFORCE FOR THE GOLDEN AGE

LEADERSHIP BRIEFING

US Dept of Labor – US Dept of Commerce – US Department of Education

PURPOSE

- Align leadership on Challenges, vision and strategic pillars.

FOCUS

- Workforce readiness, mobility, and accountability.

OUTCOME

- Shared direction and priorities

LEADERSHIP BRIEFING PROVIDES:

The Challenge

Vision for America's Workforce

Five Strategic Pillars

Expectations & Path Forward.

The Challenge

Current Workforce System Gaps

Fragmented programs across agencies and funding streams.

Misalignment between training and employer needs.

Limited accountability for outcomes and ROI.

Millions of Americans disconnected from high-wage career paths.

Workforce system struggling to keep pace with AI and industry change.

VISION FOR AMERICA'S WORKFORCE

Put American workers and employers first.

Create reliable talent pipelines for priority industries.

Value skills, credentials, and work-based learning – not just degrees.

Ensure workforce investments lead to high-wage, in-demand jobs.

Build an adaptable system aligned to economic and technological change.

FIVE STRATEGIC PILLARS

- Industry – Driven Strategies
- Worker Mobility
- Integrated Systems
- Accountability
- Flexibility & Innovation

Pillar I - Industry-Driven Strategies

Expectation

1) Employers lead talent pipeline design
2) Training aligned to real, high-wage jobs
3) Strong emphasis on apprenticeships and work-based learning.

Vision for Success

1) Sealed Registered Apprenticeships
2) Employer-validated credentials
3) Clear pathways from education to training to employment.

Pillar II – Worker Mobility

Expectation

1) Bring more Americans into the labor force
2) Enable advancement through skills and experience.
3) Simplify career navigation

Vision for Success

1) Skills-based hiring and advancement.
2) Use of AI and labor market data for career pathways.
3) Credentials that clearly signal labor market value.

Pillar III – Integrated Systems

Expectation

1) Reduce Fragmentation and duplication.
2) Simplify access for workers and employers.
3) Align funding and services.

Vision for Success

1) Unified intake and service delivery.
2) Coordinated federal, state, and local system.
3) One system that is easy to navigate and efficient to operate.

Pillar IV - Accountability

Expectation

1) Taxpayer dollars tied to outcomes
2) Transparent performance metrics
3) Eliminate ineffective programs

Vision for Success

1) Consistent measures across programs
2) Focus on job placement, earnings and ROI
3) Funding redirected to high-performance providers.

Pillar V – Flexibility & Innovation

Expectation

1) Adapt quickly to AI-driven workforce changes.
2) Encourage innovation at state and local levels.

Vision for Success

1) Flexible funding and waivers.
2) Pilot programs and rapid reskilling models
3) AI literacy embedded across education and workforce system.

Key Takeaways & Leadership Role

- Champion employer-driven workforce solutions.
- Support integration and system alignment.
- Demand accountability and measurable results.
- Invest in innovation and future-ready skills

Next Steps:

Align Strategy, Resources and leadership actions to advance the five pillars.

THANK YOU!

Carmelo Barese | cbarese@contoso.com | www.contoso.com

SOUTHEAST LOS ANGELES COUNTY WORKFORCE DEVELOPMENT BOARD
A proud partner of America's JobCenter of California

SELACO WDB's Governance and Oversight Model

Understanding Roles of
The Policy Board and The Workforce Development Board

Purpose

This document provides an overview of the distinct yet complementary roles of the **Policy Board** and the **Workforce Development Board** (WDB) within the Southeast Los Angeles County (SELACO) workforce system. It is intended as a quick reference for new and current board members.

Organizational Governance vs. Program Oversight

Policy Board (Organizational Governance)

Role: Offers leadership, provides oversight, and ensures public accountability.

Key Responsibilities:

- Sets strategic direction and policy framework for the organization
- Approves the Local Workforce Plan, as required by the Workforce Innovation and Opportunity Act (WIOA)
- Reviews and approves annual budget and major financial changes
- Appoints Workforce Development Board members
- Approves major contracts and significant strategic decisions
- Oversees organizational performance, outcomes, and compliance
- Represents the interests of member cities and local constituents
- Establishes organizational policies

Focus Area: Organizational policy, oversight, and authority

Workforce Development Board (Program Oversight)

Role: Oversees the execution of programs and implementation of workforce strategies to meet the needs of local businesses and job seekers.

Key Responsibilities:

- Oversees the design of workforce strategies and service delivery models
- Develops and ensure the implementation of the Local Workforce Plan, as required by WIOA

- Ensures the effective management of WIOA funding and program budgets
- Reviews and approves procurement of service providers and proposed contracts
- Ensures effective operation of the one-stop system operations and service delivery
- Supports the development of effective partnerships with businesses, education agencies, and community organizations
- Tracks performance outcomes and continuous improvement efforts
- Ensures proper reporting to the Policy Board, as appropriate

Focus Area: Development of policy affecting programs and provides oversight of system operations and service delivery.

How the Boards Work Together

Governance → Strategy → Operations

- The **Policy Board** sets direction, establishes policy, and approves major decisions concerning the organization.
- The **Workforce Development Board** ensures implementation and effective administration of programs and services operated and/or managed by the organization.
- The two boards collaborate to ensure alignment with regional priorities and local workforce needs.

Key Distinctions

The **Policy Board governs and provides organizational oversight**, ensuring accountability to the public and alignment with local priorities.

The **Workforce Development Board ensures effective operations and program implementation**, ensuring effective delivery of workforce programs and services that are aligned to the needs of the local workforce.

Summary

- **Policy Board** sets organizational direction and ensures accountability
- **WDB** designs, implements, and provides oversight of the local workforce development delivery system