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**COLLEGE OF SOUTHERN IDAHO  
JUNIOR COLLEGE DISTRICT**

**BOARD OF TRUSTEES MEETING**

**MONDAY MAY 16, 1988**

**CSI BOARD ROOM**

**5:30 p.m.**

**A G E N D A**

**MINUTES**

**TREASURER'S REPORT**

**NEW BUSINESS**

**OLD BUSINESS**

**PRESIDENT'S REPORT:**

**Summer Projects**

**Summer School**

**Permanent Building Council Report**

COLLEGE OF SOUTHERN IDAHO  
JUNIOR COLLEGE DISTRICT

DATE APRIL 1988

REGULAR PAYROLL SUMMARY

|                  |                      |
|------------------|----------------------|
| GROSS            | \$ <u>670,782.13</u> |
| FEDERAL W/H      | <u>67,735.30</u>     |
| STATE W/H        | <u>22,034.73</u>     |
| FICA             | <u>49,763.59</u>     |
| FIXED DEDUCTIONS | <u>75,882.60</u>     |
| NET PAYROLL      | <u>455,365.91</u>    |

WORKSTUDY PAYROLL SUMMARY

|                  |                     |
|------------------|---------------------|
| GROSS            | \$ <u>17,657.20</u> |
| FEDERAL W/H      | <u>220.33</u>       |
| STATE W/H        | <u>.53</u>          |
| FIXED DEDUCTIONS | <u>212.00</u>       |
| NET PAYROLL      | <u>17,224.34</u>    |

May 16, 1988

MEMO

TO: BOARD OF TRUSTEES  
FROM: KARL L. BLACK  
SUBJECT: EMPLOYEE CAFETERIA PLAN

For several years we have investigated the pros and cons of a cafeteria fringe benefit plan for employees at The College of Southern Idaho. We had some hesitancy because of uncertainty in the Federal Tax Law. In the omnibus tax overhaul of 1986 it appears that the law regarding these plans was not only retained but because of considerable discussion by the legislature appears to be stronger and more permanent.

In essence the law allows an employee to withhold from pre-tax earnings specified amounts for health care, dependent expenses and other possible expenses written into the plan. This would save the employee federal and state income taxes as well as FICA tax on the specified expenses. It would also reduce the FICA taxable wages the College would have to pay tax on. The City of Twin Falls has this plan for their employees and feel very positive about it.

Initial costs to the College would be less than \$2500 to get the plan set up and approved by the IRS. Most of the accounting would be done by Prime Benefits of Salt Lake City. The cost is approximately \$6.50 per employee and could be charged directly to the employee.

It is my recommendation that we initiate the plan for the College. There are two items that need to be clarified with the board that I believe are my only areas of concern.

1. We would be designating two insurance representatives to interview employees once a year to set up the individual plan with each employee. This would, in essence, give our blessing to these representatives and give them an inside track on selling insurance and annuities. They would encourage employees to use their tax savings to invest in either the insurance or annuities. Mike Hodge and Phil Youngerman are the two who have been working with us. I feel that both are ethical and reputable and would be rendering a service to the College.
2. The only other concern is that it would increase the work load in the business office, but I feel it would be a reasonable expenditure of time for the benefit derived.