

Administrative Policies and Procedures

J. Verification Procedures

1. The Board of Directors for the California Schools VEBA may, at its discretion, instruct the VEBA Administrator or other Board designee, to complete an annual review of the benefits program practices used by a Participating Employer to ensure compliance with the VEBA Establishment Agreement, VEBA Board Practices, the Participation Agreement, and the guidelines contained in the VEBA Administrative Policies and Procedures. Any corrective action required as a result of the failure to comply by a Participating Employer will be at the discretion of the Board of Directors as outlined in the VEBA Establishment Agreement and the Participation Agreement.
2. Furthermore, to ensure that enrolled Dependents meet the requirements of the VEBA, Participating Employers must cause a Dependent Eligibility Verification Audit to be conducted.
3. An Employer may meet this requirement by complying with the following:
 - (1) The Employer may contract with a Company that demonstrates, to the VEBA Administrator, administrative capability of conducting such Audit, or
 - (2) The Employer may conduct a self-audit by receiving pre-approval of their Audit plan from the VEBA Administrator
 - a. To meet VEBA standards, the entity conducting the Audit must obtain from the Employee, legal documents sufficient to verify that the Dependent is eligible for coverage; i.e., Marriage Certificate, Domestic Partnership documents, Birth certificate, applicable court documents certifying adoption, guardianship or legal custody, medical certification for an over-age disabled child, etc.
 - b. An Employer may give Employees the opportunity to delete no-longer eligible Dependents prior to conducting the Verification Audit
 - c. Dependent Eligibility Verification Audits must be completed in accordance with the following timeframes:
 - (1) Within the first twelve (12) months of participation of Employers new to VEBA;

- (2) Once every five years for Employers having completed an approved Audit with an ineligible dependent rate of less than three percent (3%) (Revised 6/2016);
- (3) Once every year for Employers having completed an approved Audit with an ineligible dependent rate of equal to or greater than three percent (3%) (Revised 6/2016).