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Letter of Understanding

Between

Chippewa Valley Schools (CVS)

And

Organization of Administrators of the Chippewa Valley Schools (OACVS)

This agreement shall be effective July 1, 2013 and shall continue in effect through June 30, 2016. All remains as in the 2006-11 collective bargaining agreement except as indicated herein.

1. If the 2015-16 fiscal year annual audit shows revenue exceeding expenses then OACVS and CVS agree to meet to discuss how to pay an off-schedule lump sum payment.
2. Beginning July 1, 2013 and thereafter each administrator shall be eligible to receive hospital, medical and surgical insurance benefits under the MESSA Choices II Plan with a \$10/\$20 prescription plan, zero deductible, \$25 urgent care, \$20 office visit, \$50 emergency room as described in the attached plan description.
3. Pursuant to Public Act 152 of 2011, the District shall pay those Hard Cap amounts provided in section 3 of the Act, as adjusted by the Michigan Department of Treasury. Any Administrator receiving health care benefits shall be required to pay any costs of the healthcare plan above the Hard Cap amounts, payable in an amount determined by the OACVS to insure the Districts compliance with the Hard Cap limits as provided in the Act. Any overages paid by the Administrator as a result of movement by Administrators between the levels of coverage shall be refunded in a manner determined by the OACVS. The District will apply any excess of the Administrators 10% insurance co-payment to the Administrators cost of the MESSA plan described above after July 1, 2013.
4. CVS and OACVS agree to meet and discuss health insurance options on or about May 31, 2013. There will be no changes to the plan described above unless mutually agreed to by the parties.
5. CVS reserve the right to, in its sole discretion, if required to comply with Patient Protection and Affordability Act, select a health insurance carrier which offers a "Bronze" plan that provides "minimum coverage" pursuant to 26 USC sec.36(B)(c)(2)(C)(ii). CVS shall not be obligated to select the same health insurance carrier for the "Bronze" plan as the health insurance carrier providing health insurance to other bargaining unit members. This is not for the purpose of changing the plan as described above. It will only be offered to those, if any Administrator, for whom the law requires CVS to provide this coverage.
6. Article XVIIc will be changed to replace reference to "just cause" to "arbitrary or capricious".
7. The attached letter of understanding regarding PA 103 will be effective July 1, 2013 henceforth.
8. The following sections in letters of (LOU) referenced hereto will continue as indicated:
  - a. LOU dated December 6, 2006
    - i. Sections 6, 8, and 9
  - b. LOU dated May 15, 2006
    - i. Sections 1, 2, 3, and 4
  - c. LOU dated October 1, 2009
    - i. Sections 4, 7, 8, and 9
  - d. LOU dated September 22, 2010
    - i. Section 1
  - e. LOU dated October 1, 2009
  - f. LOU dated June 14, 2011
    - i. Sections 3, 4, 6, 7, 8, and 9
9. Administrators will continue to be paid on the 2009-10 salary schedule from July 1, 2013 through June 30, 2016 (attached).

The sections noted above which were only for a specified duration will continue for the duration of this extension (July 1, 2013-June 30, 2016). All others will continue henceforth.

