LETTER OF UNDERSTANDING

Both parties mutual agree to the following amendments of the 2014-2016 Local 517M SEIU Collective Bargaining Agreement.

ARTICLE 6 - SENIORITY

6.1 **Probationary Period**. A new employee shall be on probation for ninety (90) calendar days. The probationary period starts the first day the employee is scheduled for work and receives pay for the time worked. All employee benefits start at the end of the probationary period. Probationary employees have no recourse to the terms of the Agreement through the grievance procedure. During such probationary period the employee may be disciplined, suspended, or discharged by the Employer for reasons satisfactory to the Employer.

SCHEDULE "A"

Section 1. Paraprofessionals Compensation Schedule

Years of Service	2014-2015	2015-2016
Beginning	\$10.68	\$10.79
2,3,4,5	\$11.23	\$11.34
6,7,8	\$11.74	\$11.86
9	\$12.43	\$12.55
10,11,12,13,14	\$12.59	\$12.72
15,16,17,18,19	\$12.64	\$12.77
20,21,22,23,24	\$12.69	\$12.82
25 and over	\$12.75	\$12.88

All bargaining unit employees shall receive a one-time off-schedule bonus of one hundred dollars (\$100) to be paid no later than December 18, 2015.

Section 3. <u>Insurance</u>.

In accordance with the terms of the Affordable Care Act (ACA), health insurance coverage will be offered to all employees and their dependent children, provided the employee works, on average, at least 30 hours per week. Health insurance coverage will continue in future plan years, provided the covered employee continues to work, on average, at least 30 hours per week.

Option "A"

For employees that qualify for health insurance coverage under the ACA, the Employer offers two options in the District Partially Self-Funded Plan; UMR Third Party Administrator, or its equivalent:

PPO I - \$10/\$20 drug card, \$300/\$600 in-network and \$600/\$1200 out-of-network deductibles. \$25 office visit, \$25 urgent care visit, and \$50 emergency room visit co-pays.

<u>PPO II</u> - \$10/\$20 drug card, \$700/\$1400 in-network and \$1400/\$2800 out-of-network deductibles. 20% in-network and 40% out-of-network co-insurance. \$25 office visit, \$25 urgent care visit, and \$50 emergency room visit co-pays.

Nothing in the self-funded health plan documents shall limit the Association's bargaining rights as established by law. Any contradiction between this Agreement and plan documents associated with the self-funded plan shall be resolved in favor of this Agreement.

Option "B"

For employees that do not qualify for health insurance under the ACA, the Employer agrees to contribute on behalf of each full-time employee the sum of one hundred seventy-five dollars (\$175) per month for twelve (12) months toward the premium costs (or cash in lieu of insurance) for one of the following insurance plans, namely:

<u>Hospitalization Insurance</u>. Medical and hospital insurance with a carrier selected by the Employer, which insurance plan shall be equivalent to that presently provided to the administration.

Options. Which include the following:

Short-term Disability
Long-term Disability
Group Survivor Income Insurance
Term Life Insurance
Dependent Life
Hospital Indemnity
Basic Term Life Insurance
Cash

EMPLOYER: THREE RIVERS COMMUNITY SCHOOLS ST. JOSEPH AND CASS COUNTIES, MICHIGAN

By Wanta Truckey

Its President

By Culdwak
Its Secretary

UNION:

LOCAL 517, SERVICE

EMPLOYEES INTERNATIONAL

UNION

Its President

Its Labor Relations Specialist