LETTER OF UNDERSTANDING between

CHIPPEWA VALLEY SCHOOLS

And the

SECRETARIAL/CLERICAL AFSCME CHAPTER 1884, COUNCIL 25 CONTRACT EXTENSION

This extension of the July 1, 2011 through June 30, 2013 agreement shall upon ratification by both parties be effective July 1, 2013 and continue in effect through June 30, 2016.

Effective July 1, 2013, it is agreed to upgrade the following job classifications:

- a. Community Relations Clerk currently Grade 5 to Grade 6 (Grumbling)
- b. Clerk II Special Education 8hrs/day currently Grade 2 to Grade 4 (Berryman)
- c. Clerk III Accounts Payable currently Grade 3 to Grade 4 (Ayan)

Step Increase; Effective July 1, 2013, July 1, 2014 and July 1, 2015 employees will move to the next step on the salary schedule. Employees will not receive payment for the step movement during the period of July 1, 2013 through June 30, 2016 and will continue to be paid at the step they are being paid at in 2012-13. Upon expiration of this agreement, the status quo for step pay will be the step the employees were paid at in 2012-13. Any additional step movement for 2016-17 and thereafter will be determined in negotiations for a successor agreement.

If the 2015-16 fiscal year annual audit shows revenue exceeding expenses in the 2015-16 fiscal year only, the Union and Board mutually agree to meet to discuss how to pay out off-schedule lump sum payments.

Each bargaining unit member will be paid a one-time only lump sum equivalent to 1.25% of her/his hourly rate for all hours paid during the 2014-15 contract year on July 30, 2015 on July 30, 2016 for the 2015-16 contract year.

Article 2-Union Security; This article remains in full force and effect pursuant to the attached letter of understanding.

Article 19-Insurance Benefits;

All Employees working 35-40 hours per week have the option during an open enrollment period to select 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 attachment. Pursuant to Public Act 152 of 2011, the district shall pay those Hardcap amounts provided in section 3 of the act, as adjusted by the Michigan Department of Treasury. Any employee receiving healthcare benefits shall be required to pay any costs of the healthcare plan above the hard cap amounts, payable in an amount determined by the Union to insure the district's compliance with the Hardcap limits as provided in the act. Any overages paid by the employee as a result of movement by the employee between levels of coverage, shall be refunded in a manner determined by the union.

All Employees working less than 35 hours per week will be offered the Health plan described above during an open enrollment period. Employees working 30 hours per week but less than 35 hours per week will pay 20% of the cost of the health insurance each year, employees working 25 hours per week but less than 30 hours per week will pay 40% of the cost of health insurance each year and employees working less than 25 hours per week will pay 50% of the cost of health insurance each year. In no event shall the District pay in excess of the Hardcap amount provided in Section 3 of Public Act 152 of 2011. Any amount above the Hardcap shall be paid by the employee in addition to the percentage contribution. The Union and the District will meet before November 15, 2013 to discuss the implications of the Patient Protection and Affordability Act (PPACA). The District reserves the right after conferring with the Union to comply with the Patient Protection and Affordability Act to 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).

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If the eligible Employee's spouse has or is eligible for any type of paid health insurance which is equal to or better than the health plan described above said Employee shall not receive Board-paid health insurance. It is understood that double coverage is prohibited.

Effective July 1, 2013 through June 30, 2016 each employee will have one (1) furlough day off each contract year without pay upon approval of the Employer.

The letter of agreement regarding temporary long term and short term assignments will continue.

Any vacant bargaining unit position not filled by current bargaining unit members may be filled with substitutes through June 30, 2016. The number of substitutes shall not exceed 13% of the total number of bargaining unit positions at any time.

The Board will not lay-off bargaining unit members during the period of July 1, 2013 through June 30, 2016 except in the event of (1) a reduction in student population or (2) a reduction in the total per pupil foundation received from all sources pursuant to the School Aid Act.

For the Union

For the District

3~11-13

Date

3/11/112

Date