

**Memorandum of Understanding
For
Collective Bargaining Agreement Extension
Between
Romulus Education Association
And
Romulus Community Schools
Wayne County MEA/NEA**

June 8, 2011 TP

Contract:

- 2 Year Agreement - the contract shall be effective from August 16, 2011 through August 15, 2013.
- Due to the reduction in Michigan School Aid Funding for the 2011-12 fiscal year, there shall be no advancement on pay steps for any bargaining unit member through the term of this Agreement. Members who earn applicable degree credits are eligible for lane advancement.

Calendar/Compensation:

Due to the reduction in Michigan School Aid Funding for the 2011-12 fiscal year, the parties agree to an unpaid "furlough day arrangement" for the term of this Agreement to help off-set the State of Michigan funding cuts. The parties anticipate that this furlough day arrangement to equal an \$800,000 concession and effective savings.

- During the 2011-12 school year, bargaining unit members shall take unpaid furlough days on August 30, 2011 & August 31, 2011. Bargaining unit members shall also take half (0.5) furlough days on January 27, 2012 & June 13, 2012 (records days). Reporting to the District on these furlough times shall not be mandatory.
- During the 2011-12 school year, bargaining unit members shall take an unpaid furlough day at the member's daily rate of pay, for one (1) day when the entire District is closed due to weather conditions, health concerns, or other "Acts of God."
- Personal business days and individual sick leave days that have been previously scheduled on furlough days will be considered a "furlough day" and the personal day or sick day will not be deducted against the member's leave day bank.
- Payroll deductions for the furlough day arrangement shall commence prospectively on the first payroll period of the 2011-12 school year. The deductions shall be prorated over the course of the entire school year.
- If the "Act of God" furlough day is not scheduled by April 30, 2012, the parties agree to meet to discuss other options for furlough days. It is understood that if no agreement is reached, the pay for the day will be reimbursed at the member's daily rate of pay in the last paycheck for the 2011-12 school year.

- A member with 25 years of service or more within MPSERS can opt to make an additional health care premium contribution in lieu of the furlough day deductions. The premium contribution will be equal to the reduction in pay the member would suffer under the furlough day arrangement. An eligible member must exercise this option in writing to the Director of Human Resources by August 26, 2011.
- This furlough day arrangement shall only be effective for the 2011-12 & 2012-13 school years and shall not extend to any future years absent a mutual agreement of the parties. In the event that a successor CBA is not reached by August 15, 2013, the furlough day arrangement shall not be considered the "status quo" for purposes of implementing a calendar/compensation schedule during the 2013-14 school year. The salary schedule defined in the 2009-11 REA/WC Master Agreement will not be modified and will remain in place for the 2011-12 & 2012-13 school years and for any successor years.
- For purposes of the 2012-13 school year, the parties shall bargain a 2012-13 calendar with 4 unpaid furlough days consistent with the all terms agreed upon above.

Sick Leave Bank:

Temporary elimination of "Appendix C" of the CBA (District Sick Bank for Members of the Romulus Education Association) during the term of this Agreement. For term of this Agreement, bargaining unit members shall receive 11 sick days yearly. In the event that a successor CBA is not reached by August 15, 2013, the Sick Leave Bank shall be reinstated for the 2013-14 school year. The parties anticipate that the two-year elimination of the Sick Leave Bank will equal a \$190,000 savings for the District during the term of this Agreement.

Health Insurance:

Alteration of Article XII, Section B 1 - of CBA to provide for a new "Core" Insurance product for employees. The parties anticipate that the following insurance plan design changes will equal a \$1,227,300 concession and savings (approximately a 20% savings from 2010-11 rates) for the District.

1. Each employee shall have his/her choice of one of the following three options:

- a. Plan A- BCBS CORE Plan:

This plan will be provided at no cost to the employee and shall be the self-funded Blue Cross Blue Shield Community Blue 1 (Suffix TBD-20% savings) plan. This Plan will include an employee funded HSA as allowed by law.

- b. Plan B- BCBS "Buy Up" Plan:

This plan will be provided at a cost of a 20% premium contribution by the employee and shall be the self-funded Blue Cross Blue Shield Community Blue 1 (Suffix TBD-20% savings). The Board will pay no more than 80% of the premium cost of each employee policy. This Plan will include an employee funded HSA as allowed by law.

- c. Plan C- Cash in Lieu of Insurance:

Employees eligible for District-paid health insurance who are covered by another employer-paid group health plan can opt-out of the District's group health plan under the following terms and conditions:

(1) To opt-out, an employee must file a written statement acknowledging that he/she is covered by another group health plan.

(2) An employee who opts-out shall be entitled to accrue a payment of \$125 per monthly billing period for any billing period during which hospitalization insurance is not provided by the District during the calendar year following the date the employee opted-out.

(3) Said payment shall be made as an adjustment to a regular paycheck to those employees who are entitled to a regular paycheck in the first pay period in December, or on a monthly basis, as determined by the District.

(4) A Section 125 Plan shall be adopted.

(5) In the event an employee is eligible for the District's health insurance, but elects not to take it because he/she is covered by another employer-paid group health plan, and subsequently loses his/her coverage under that other plan, then said employee shall be allowed to enroll in the District's group health plan and said coverage shall become effective at the beginning of the next billing period.

Fund Balance Sharing Agreement:

The concessions the parties have agreed to in this Agreement are a result of the 2011-12 State of Michigan funding reductions. If District's audited fund balance is positive at the end of the 2012-13 fiscal year, the District shall provide the Association with 80% of the year's excess fund equity to make a prorated off-schedule payment to those bargaining unit members that were frozen on steps during this Agreement. The amount shall be capped at \$800,000.


Joint Committee Establishment:

The parties agree to meet within 30 days of ratification of this Agreement to discuss elementary data meeting requirements and bus duty concerns. Further, contract negotiations for a successor collective bargaining agreement will commence during the 2012-13 school year.

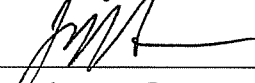
This is a Tentative Agreement that is subject to ratification by both parties' constituents by June 30, 2011.

SIGNATURES:

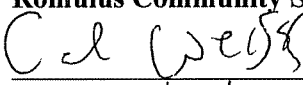
Romulus Education Association


Date: 6-8-11

Wayne County MEA/NEA


Date: 6-8-11

Romulus Community Schools


Date: 6/8/11

 6-8-11

 6-20-11

