

**Memorandum of Understanding  
between the  
Berkeley Unified School District  
and the  
Berkeley Federation of Teachers**

August 15, 2016

The Berkeley Unified School District (District) and the Berkeley Federation of Teachers (BFT) tentatively agree on the following changes to the collective bargaining agreement:

14.12 Health Benefits

- 14.12.1 The District agrees to provide hospital, surgical and major medical insurance coverage. The District agrees to provide dental, employee assistance plan, and life insurance coverage. Effective January 1, 2017, all eligibility rules for health benefits both active employees and retirees will be governed by CalPERS.
- 14.12.2 Part Time Employees: The District contribution to the cost of health and dental plans for all part-time teachers and his/her dependents shall be in the same ratio as the regular part-time assignment bears to a full-time work assignment.
- 14.12.3 Effective October 1, 2008 and continuing thereafter until a different compensation agreement between the District and the Union is reached, the maximum District contribution to health benefits, including medical, dental, employee assistance plan, and life insurance, shall be established at the following levels:

Kaiser Employee Only:	\$358.27 month
Kaiser Employee Plus One:	\$716.54 month
Kaiser Employee Plus Two:	\$1013.90 month
Health Net Employee Only:	\$431.80 month
Health Net Employee Plus One:	\$866.12 month
Health Net Employee Plus Two:	\$1013.90 month
MetLife Dental Coverage:	\$66.15 month
MHN Employee Assistance Plan Coverage:	2005-2006 Premium Rate
MetLife Life Insurance Coverage:	2005-2006 Premium Rate

Effective January 1, 2016, the District will increase its contribution to health benefits by the equivalent of a one percent (1%) increase in compensation, divided by the total number of bargaining unit members enrolled in District health benefits, which the parties agree equates to a \$80/month increase (\$960/annual) to the District's contribution for Employee Only, Employee Plus One, and Employee Plus Two.

Effective January 1, 2017 and continuing thereafter until a different compensation agreement between the District and the Union is reached, the maximum District contribution to health benefits shall be established at the following levels:

<u>Employee Only:</u>	<u>\$441.03 month</u>
<u>Employee Plus One:</u>	<u>\$799.30 month</u>
<u>Employee Plus Two:</u>	<u>\$1096.66 month</u>

Effective January 1, 2017, pursuant to Government Code section 22892 (b) and notwithstanding any other provision of this agreement, the District contribution for active employees shall not be less than CalPERS minimum required contribution (i.e. \$125/month for 2016).

- 14.12.4 The Union and the District shall establish a group coverage benefits deduction formula each year in order that unit members are collectively deducted the total amount required to cover all increased health benefits premium costs beyond 2005-06 and in order that proportional deduction incentives are established which fairly reflect the cost of the various plans (Kaiser, Health Net, Employee Only, Employee Plus One, Employee Plus Two or More, PPO, POS). This deduction formula shall not result in any additional net cost to the District.
- 14.12.5 Any deductions for health care premiums shall be from pretax dollars. A request will be made to STRS to also deduct premiums for retirees from pre-tax dollars.
- 14.12.6 Adult School hourly teachers are not included in the above medical benefits contribution and deduction agreements and shall instead continue to receive prorated health benefits per existing District/BFT 14.13.
- 14.12.7 Adult School and Independent Study hourly teachers only who do not wish to be covered by the District health plan, or who work at least nine (9) hours per week but are not eligible for CalPERS health benefits, may elect to have eighty percent (80%) of the District's contribution added to their monthly paycheck. The amount of such contribution shall be calculated at the rate that the District would have contributed for the employee only, under the Kaiser ~~(High)~~ health plan in effect at the time of payment. Adult School and Independent Study hourly teachers exercising this option must submit written notification to the Business Office thirty (30) days prior to the discontinuance of health plan coverage. Such teachers who wish to reactivate health plans may not do so until the next open enrollment period. Upon the death or disability of a spouse or domestic partner, an employee presently receiving the District's contribution may re-enroll in the District medical plan subject to the approval of the carriers. The final decision relative to re-enrollment rests with the carrier.
- 14.12.8 Health Benefits coverage shall go into effect no later than the first contractual work day for all bargaining unit members.
- 14.12.9 All bargaining unit members will receive health benefits coverage through August 31 following the school year for which they were employed unless they sign a temporary contract which specifically states that their health benefits coverage and contract end sooner. Should a temporary teacher be hired back to teach in the District in the year following his/her year of temporary service, regardless of the

contract s/he signed with regards to health benefits coverage, s/he shall receive health benefits coverage (retroactive if need be) for the summer following the year of temporary service.

#### 14.13 Health Benefits: Adult School

- 14.13.1 Adult School bargaining unit hourly teachers who work at least nine (9) hours per week may enroll in a regular District health plan (medical or dental or both) beginning the second year of employment. The District will contribute an amount prorated to the weekly hourly teaching assignment to the health plan of choice. The prorated District contribution is based on a full time teaching equivalent of thirty (30) hours per week.
- 14.13.2 The premium formula percentages for Adult School bargaining unit hourly teachers shall be changed each year to reflect the increased cost of the base (Kaiser One). There shall be no increase to current premium formulae. Adult School bargaining unit hourly teachers may choose to apply their prorated premium formula to either medical benefits or dental benefits or a combination of the two.
- 14.13.3 Adult School bargaining unit hourly teachers who do not wish to be covered, or who work at least nine (9) hours per week but are not eligible for CalPERS health benefits, may receive the District contribution as provided in District/BFT 14.12.7. Bargaining unit hourly teachers working at least nine (9) hours per week may participate in the Section 125 plan.
- 14.13.4 All courses which are listed on the Berkeley Adult School schedule by the start of the semester and all courses considered to be temporary yet are taught by the same teacher for at least seventy-five percent (75%) of the school year will apply toward the pro-rated premium formula.

#### 14.14 Health Benefits: Independent Study

Independent Study hourly teachers who work at least nine (9) hours per week may enroll in a regular District medical and dental plan beginning the first year of employment. For part-time Independent Study hourly teachers, the District will contribute an amount prorated to the weekly hourly teaching assignment. Independent Study bargaining unit hourly teachers who do not wish to be covered, or who work at least nine (9) hours per week but are not eligible for CalPERS health benefits, may receive the District contribution as provided in District/BFT 14.12.7. The prorated District contribution is based on a full-time teaching equivalent of thirty (30) hours per week.

#### 14.15 Health Benefits: Substitutes

Bargaining unit substitutes who work eighty (80) assignments or more shall receive a stipend toward medical/dental coverage. One (1) stipend payment will be made by July 15. (See Substitute Teacher Handbook.)

## 14.16 Health Benefits: Other Provisions

### 14.16.1 Dental Benefits

The District will maintain the same level of benefits for dental care as has been in force for the 2005-2006 school year through a self-funded dental plan. The cost of contributions by part-time employees will be based on the current premium experience level. Employee contributions to the dental plan shall be as follows:

There may be a twenty-five dollar (\$25.00) annual deductible that shall apply only to dependents of the employee to a maximum of fifty dollars (\$50.00) per family.

## 17. RETIREMENT/EARLY RETIREMENT

### 17.1 CalPERS Health Benefits

17.1.1 Effective January 1, 2017, retirees who are annuitants and purchase health benefits through CalPERS will receive a District monthly contribution for health benefits provided that they either:

- a) retired before January 1, 2017, or
- b) they retired on or after January 1, 2017 and have been employed by the District for at least forty (40) years.

17.1.2 For 2017, this monthly contribution shall be one dollar (\$1). This monthly contribution shall be increased annually as required by Government Code section 22892 (c).

17.1.3 Retirees who do not meet the forty-year requirement in section 17.1.1. but are annuitants under CalPERS or STRS may purchase health benefits through CalPERS.

17.1.4 Retirees receiving CalPERS health benefits will have their share of the premium (i.e. the full premium minus the District monthly contribution as provided in sections 17.1.1 and 17.1.2) deducted from their annuitant check as required by CalPERS. Retirees may receive reimbursement for their share of the premium if they are eligible for supplemental benefits as provided in section 17.2.

### 17.1.2 Supplemental Medical and Dental Benefits

17.1.2.1 To be eligible to participate in the supplemental medical and dental coverage, a retiree must be at least fifty-five (55) years of age, or fifty (50) years of age with thirty (30) years of service and retired under a State of California retirement system (STRS or PERS) or other system that meets the approval of the Assistant Superintendent, Human Resources. Normally, non-public systems will not be approved. A teacher's request for approval and the response shall be in writing.

17.1.2.2 Salaried bargaining unit members who retire by July 1, 2006 are entitled to receive up to the maximum of the cost for Kaiser coverage for a subscriber and two or more dependents until age sixty-five (65). In addition, teachers retiring by July 1, 2006 are entitled to receive the same dental benefits coverage provided for

other certificated personnel covered by this agreement. In addition, teachers retiring by July 1, 2006 who have served in the District for twenty (20) or more years shall receive medical coverage for only themselves until the sixty-seventh (67th) birthday.

17.1.2.3 Salaried bargaining unit members who retire following June 30, 2006: Until the sixty-fifth (65th) birthday, a retiree and up to one (1) eligible dependent shall receive the same medical coverage and dental benefit coverage as current active bargaining unit members. Retirees who have served in the District for thirty (30) or more years shall receive medical coverage for only themselves from their sixty-fifth (65th) birthday until their sixty-seventh (67th) birthday.

17.2.4 Effective January 1, 2017, retirees receiving supplemental health benefits will have their share of the premium (i.e. the full premium minus the District monthly contribution as provided in sections 17.1.1 and 17.1.2) deducted from their annuitant check as required by CalPERS and then receive reimbursement from the District by the end of the month to meet the District's obligations under sections 17.2.2 and 17.2.3. If requested, the retiree will submit proof of payment to the District or its designated administrator.

17.1.42.5 Retirees who leave the state of California (or reside in an area within California where District group coverage is not available) will be entitled to a monthly cash in lieu payment of eighty percent (80%) of the District's share of Kaiser single coverage until age sixty-five (65). This will not apply to retirees who, as of the 2004-2005 school year, are reimbursed for out-of-state group coverage premiums paid out-of-pocket.

17.1.52.6 After District paid benefits expire, retirees and spouses may choose to remain covered by the District group coverage plan so long as they are on a self-pay basis.

17.1.62.7 Teachers who formally notify the District Human Resources Department in writing by February 7 that they will be retiring under a State of California retirement system (STRS, PERS) at the end of the current school year, shall receive a retirement notification bonus of one thousand dollars (\$1,000), payable between May 1 and the last paycheck.

17.1.72.8 All bargaining unit members hired after July 1, 2005 shall only receive supplemental medical and dental benefits covered in Article 17.1.2 if they meet both the following criteria:

- a) Have been a full-time teacher in the District for a minimum of ten (10) years
- b) Have been in STRS for a minimum of fifteen (15) years

All new BFT bargaining unit members hired after July 1, 2005 shall be notified in writing of this provision by the Human Resources Department at the time of hire. If this notification is not provided prior to the new hires and signed prior to the acceptance of employment, the new hire shall be eligible for supplemental medical and dental benefits specified in Article 17.1.2 even if s/he does not meet both criteria (a) and (b) listed herein. If such written notification is not provided to new hires and signed prior to the acceptance of employment, the cost of such

supplemental medical and dental benefits will be borne by the District, outside of the District/BFT revenue sharing formula. By November 1 of each year, the parties will meet to verify the requirement described herein has been met. Subsequent to verification, no unit member whose employment date and notification were verified may assert a claim that proper notification was not provided.

For the District:



Delia Ruiz  
Assistant Superintendent, Human Resources

Date: 08/16/16

For BFT:



Cathy Campbell  
President

Date: 8/16/16

MEMORANDUM OF AGREEMENT  
HEALTH BENEFIT VESTING

This bilateral Agreement made and entered into this day August 15, 2016 by and between the parties: Berkeley Unified School District (BUSD) and The Berkeley Federation of Teachers (BFT)

Effective on the day of ratification, any bargaining unit member who has been employed 40 years or more of creditable service with the District shall be entitled upon retirement to the minimum health employer contribution set by Public Employees' Medical and Hospital Care Act (PEMHCA).

Only employees retiring on or after January 1, 2017 shall be subject to the years of service criteria defined in this agreement.

All members who have retired before the effective date of this memorandum are eligible for the minimum health employer contribution.

In order to receive the employer's contribution payable for post-retirement health benefits, annuitants who retire for disability must meet the credited years of service requirements set forth above.

Nothing in this Memorandum effects or requires a change to BUSD health benefits contribution to active employees and early retirees as defined in the BFT collective bargaining agreement.

This Memorandum shall apply only if the District elects to participate in the CalPERS program and if the CalPERS program continues to mandate the vesting requirements herein.

Agreed to:

District Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Bargaining Unit Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_