Motion Regarding Memorandum of Understanding
Regarding Health Benefits
Between the Desert Community College District, and
The California School Employees Association, Chapter 407,
Dated October 10, 2016

It is moved that the Board of Trustees ratify the Memorandum of Understanding dated October 10, 2016, between the Desert Community College District, and the California School Employees Association, Chapter 407, pertaining to a $200 monthly payment during insurance year 2016-2017, for all eligible unit members.

Roll Call Vote:

Yes: 5
No: 0
Abstain: 0

REPORT OUT OF CLOSED SESSION:

Board President: I am pleased to announce that the Board of Trustees unanimously ratified the Memorandum of Understanding dated October 10, 2016, between the Desert Community College District, and the California School Employees Association, Chapter 407, regarding a $200 monthly payment during insurance year 2016-2017, for all eligible unit members.

The Roll Call Vote was all Trustees voting, “Yes.”

Previously, this Memorandum of Understanding was also ratified by the members of the California School Employees Association, Chapter 407. On behalf of the Board, I congratulate both parties for reaching this Memorandum of Understanding. Copies of the Memorandum of Understanding are available to the public through the District’s Health Benefits Office, on the Human Resources webpage, and at the rear of the meeting room. The entire Memorandum of Understanding will be incorporated into the official meeting minutes.
October 10, 2016

MEMORANDUM OF UNDERSTANDING
HEALTH AND WELFARE BENEFITS – 2016-2017 PLAN YEAR

This Memorandum of Understanding (MOU) is entered into this 10th day of October 2016, between the Desert Community College District (District) and the California School Employees Association and its Chapter 407 (CSEA) hereinafter the “parties.”

This MOU is a tentative agreement and is subject to the approval process of both parties.

1. Unit members and early retirees who are eligible for District paid health and welfare benefits shall receive a $200.00 payment per month during insurance year 2016-17, commencing in the month following ratification of this MOU by CSEA and ending in September 2017.

2. There are health benefit plans for insurance year 2016-17 that cost less than the District’s current cap for health and welfare benefits and the monthly contribution under Section 1 above. For those plans, the unit members and early retirees may:
   a. Receive the difference in cash, less applicable taxes, or,
   b. Authorize the difference to be paid into an IRC 403(b) plan (if eligible per 10.1 of the parties’ CBA), or,
   c. Authorize the difference to be paid into a Flexible Savings Account (FSA) for calendar year 2017.

3. There are health benefit plans for insurance year 2016-17 that cost more than the District’s current cap for health and welfare benefits. For those plans, the unit members and early retirees may:
   a. Apply the monthly payment amount to offset premium costs, and receive the difference (if any) in cash, less applicable taxes, or,
   b. Authorize the difference to be paid into an IRC 403(b) plan (if eligible per 10.1 of the parties’ CBA), or,
   c. Authorize the difference to be paid into a Flexible Savings Account (FSA) for calendar year 2017.

4. The parties agree that for the 2016-17 plan year only, the difference between premium costs per active unit member, and the District maximum contribution plus monthly payments of $200 per Section 1, are not applicable to the CSEA 407 Health and Welfare Reserve fund per Article 9.2.1 of the parties’ CBA, but rather will be expended per the options in Sections 2 and 3 above, in the month following ratification of this MOU by CSEA.

5. The medical plans to be offered to eligible unit members and early retirees for insurance plan year 2016-17 will be the same plans that were offered through SISC in the 2015-16 insurance plan year.
6. The dental, vision, life insurance, and long term disability plans have already been agreed to between the parties.

7. Plans and costs for early retirees will continue to mirror current active plans and costs, per the parties' CBA.

8. For the 2016-17 plan year, an open enrollment until Friday, November 4, 2016 will occur for medical plans.

This MOU concludes all negotiations including all effects with bargaining regarding Health and Welfare Benefits for insurance year 2016-17.