September 30, 2016

MEMORANDUM OF UNDERSTANDING HEALTH AND WELFARE BENEFITS

This Memorandum of Understanding (MOU) is entered into this 30th day of September 2016, between the Desert Community College District (District) and the Desert Community College Faculty Association, CCA/CTA/NEA (CODFA), hereinafter, the "parties."

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

- 1. Employees and eligible retirees who are eligible for District paid health and welfare benefits shall receive a \$200.00 payment per month during insurance year 2016-2017, commencing in the month following ratification of this MOU by CODFA 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 employee may:
 - a. Receive the difference in cash, less applicable taxes, or,
 - b. Authorize the amount paid into an IRC 403(b) plan, or,
 - c. Authorize the amount paid into a Flexible Savings Account (FSA) for calendar year 2017.
- 3. Also, there are health benefit plans for insurance year 2016-17 that cost more than the District's current cap for health and welfare benefits and the monthly contribution under section 1 above. For those plans, the employee may:
 - a. Receive any difference in cash between the premium costs and the monthly payment per section 1 above, less applicable taxes, or,
 - b. Apply the amount to reduce the monthly premium cost, and,
 - c. If there is a cash balance, then the employee may choose to receive the balance in cash, less applicable taxes, or,
 - d. Authorize the amount paid into an IRC 403(b) plan, or,
 - e. Authorize the amount paid into a Flexible Savings Account (FSA) for calendar year 2017.
- 4. Note: the monthly payment under section 1 will be expended per the options in sections 2 or 3 and will not be maintained in a reserve fund for insurance year 2016-17.
- 5. The medical plans to be offered to eligible employees and early retirees for insurance year 2016-17 will be the same plans that were offered through SISC for the 2015-16 insurance year.
- 6. The dental, vision, life insurance, and long term disability plans have already been agreed to between the parties.
- 7. Plans for eligible retirees will continue to mirror current active plans.
- 8. For the 2016-2017 plan year, an open enrollment until Friday, November 4, 2016 will occur for medical plans.

- 9. Representatives from CODFA and the District will also review and make recommendations to the bargaining teams regarding an IRC Health Reimbursement Arrangement (HRA) account.
- 10. All unit members may participate in 403(b), but the District match is only for those meeting criteria in 8.9.01.

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

Geoff Hagopian

Lead Negotiator

Dustin Culhan

Frederick Sangiorgio

Signed: September 30, 2016

DESERT COMMUNITY COLLEGE DISTRICT

M Gularte Mary Anne Gularte, Ed.D.

Vice President, Human Resources

Pamela Ralston, Ph.D.

Vice President, Student Learning

Knebelle Nery, Ph.D.

Vice President, Student Success

Lisa Howell

Vice President, Administrative Services

Dean, Health Sciences, ECH, PE/Athletics

Misti Santana

Benefits Specialist

Spencer E. Cove Attorney at Law

Lead Negotiator