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Malone Central School District And
Malone Administrators Assn

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AGREEMENT BETWEEN
THE
SUPERINTENDENT
OF THE
MALONE CENTRAL SCHOOLS
AND THE
MALONE ADMINISTRATORS' ASSOCIATION

RECEIVED

AUG 01 2002

**NYS PUBLIC EMPLOYMENT
RELATIONS BOARD**

July 1, 2002 - June 30, 2005

10

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PREAMBLE

The Agreement made as of the 9th day of July, 2002 between the Malone Central School District, maintaining its principal office at the Lamberton Building, West Street, Malone, New York, hereinafter referred to as "employer" and the Malone Central School Administrators' Association, residing at Malone, New York, hereinafter referred to as "administrator", witnesseth:

WHEREAS, the employer and the administrator recognize and declare that providing the finest quality education for the children of the Malone Central School District is their mutual aim and purpose;

NOW, THEREFORE, in furtherance of said aim and purpose, it is agreed as follows:

ARTICLE I
RECOGNITION

The Board recognizes the Association for purposes of collective negotiations pursuant to the Public Employees Fair Employment Act and agrees to negotiate with said Association as the exclusive representative of all Principals, Assistant Principals and Directors with respect to salaries, wages, hours, and other terms and conditions of employment, and in the administration of grievances arising thereunder.

ARTICLE II
RIGHTS AND RESPONSIBILITIES

A. An administrator is employed to direct and coordinate, under the supervision of the Superintendent of Schools, the planning, operation, and evaluation of the educational program of the Malone Central School District. An administrator shall perform such duties as may reasonably be required by the employer for the efficient administration of the educational program for said District. The employer shall not assign duties to an administrator which may subject him to exclusion from a professional association authorized by Article 14 of the New York Civil Service Law.

B. Matters of pupil supervision which result from negotiations with teachers by the Superintendent which relieve teachers of non-instructional duties, shall not be resolved by adding to the duties of Administrators except in emergencies of short duration.

C. The administrator shall be consulted by the Superintendent or his/her designee prior to actions affecting all personnel or program within that administrator's area of responsibility. The final decision on personnel matters will, however, rest with the Superintendent.

D. An Administrator shall serve as an advisor, as required, to the Board's negotiating team in its negotiations with other employee units. This participation will only be for the purpose of obtaining the Administrator's advice and will not constitute actual negotiations on behalf of the Board. None of the duties performed in accordance with this section shall constitute a basis for "managerial" designation under Section 201(7) of the Taylor Law.

E. The Administrator Unit shall be provided with the same printed information provided other bargaining units within the District except for privileged/confidential or that which would violate established ground rules for negotiation with another bargaining unit.

ARTICLE III
REQUIRED PER TAYLOR LAW

IT IS AGREED BY AND BETWEEN THE PARTIES THAT ANY PROVISION OF THIS AGREEMENT REQUIRING LEGISLATIVE ACTION TO PERMIT ITS IMPLEMENTATION BY AMENDMENT OF LAW OR BY PROVIDING THE ADDITIONAL FUNDS THEREFORE, SHALL NOT BECOME EFFECTIVE UNTIL THE APPROPRIATE LEGISLATIVE BODY HAS GIVEN APPROVAL.

ARTICLE IV
SAVINGS CLAUSE

If any provision of this Agreement is or shall at any time be judged contrary to law in a court of competent jurisdiction, then such provision shall not be applicable or performed or enforced or subject to the grievance procedure, except to the extent permitted by law. However, all other provisions of this Agreement will continue in effect.

ARTICLE V
PROFESSIONAL DEVELOPMENT

A. Administrators shall be permitted to attend State, Regional, National and Canadian conferences and graduate level courses and workshops at the expense of the District. A pool of \$5,000 per year, exclusive of mileage and air fare, shall be made available for the entire administrative group. A meeting of all administrators will take place for the discussion and approval of individual requests to be submitted to the Superintendent for his approval. All approved attendance will be for conferences that have as their focus, the acquisition of knowledge and/or skills that will further the goals of the District. Additional funds shall be made available for these purposes at the discretion and approval of the Superintendent.

B. The Board recognizes that participation in the activities of professional organizations will contribute to the professional growth of the administrative staff and thus be beneficial to the School System. The Board agrees to pay on behalf of each administrator for membership in professional organizations of his/her choice up to a total of \$200 annually. Accordingly, the Superintendent will approve requests by administrators to participate in such activities to the extent that, in the Superintendent's judgment, they do not unreasonably impinge upon performance of each individual's duties in the school, it being understood that a special effort will be made to accommodate the needs of an individual who is undertaking some infrequent, special responsibility such as an officer of his/her professional association.

ARTICLE VI
JOB SECURITY

Any discussion regarding the elimination of an administrative position shall include representatives of the Association. When such discussion concludes with a District decision to eliminate said position(s), the individual(s) to be excessed will be entitled to at least six months prior notice. In the event that the District does not wish to provide the excessed individual(s) with the full six months notice, it may opt to give a shorter notice with the understanding that the effected administrator(s) shall still be entitled to a total of six month's salary from the date of notification.

ARTICLE VII
TRANSFERS

Every effort will be made to make transfers or reassignments from volunteers of those who have previously requested transfer. An involuntary transfer or reassignment shall be made only when there are clear and convincing reasons that it is both necessary and in the best interest of the District.

ARTICLE VIII
AFFIRMATION AS TO NO STRIKES

The Association affirms that it does not assert the right to strike against the Employer, to assist or participate in any such strike or to impose an obligation upon its members to conduct or to participate in such a strike.

ARTICLE IX
FRINGE BENEFITS

A. **Health Insurance**

1. The Board of Education shall pay 100% of the premium cost for all unit members. Such costs include both individual and family plans as appropriate.

2. From retirement at age 55 or older the Malone Central School District will pay full Health Insurance for the retiree and 50% Health Insurance coverage for the spouse. To be eligible to receive these benefits an administrator must have ten years of service in the District. In addition to these benefits the District assures retired administration personnel benefits equal to or greater than those of retired Malone Federation Teacher Employees.

B. **Dental-Optical Insurance**

The District shall provide coverage for dental-optical insurance plan premiums to an aggregate total of \$2,000 for each contract year for active employees.

C. **Sick Leave**

1. Each administrator shall be granted cumulative sick leave for personal illness at a rate of fourteen (14) days per year to a maximum of 250 days. If accumulated sick leave time becomes depleted, the administrator so affected may submit a written request to the Sick Leave Pool Committee for consideration to extend the sick leave allocation.

2. Each administrator may utilize accumulated sick leave days for family illness. For the purpose of this section, "family" shall refer to the spouse, child, parent, parent-in-law, brother, sister, grandparents, or person permanently residing in the home of the administrator and for whom the administrator holds primary care responsibility.

3. Each administrator may utilize accumulated sick leave days for death in the family. For the purpose of this section, "family" shall refer to the spouse, child, parent, parent-in-law, brother, sister, grandparents, or person permanently residing in the home of the administrator and for whom the administrator holds primary care responsibility.

4. A sick leave pool consisting of a maximum of 150 days per school year shall be made available to the Administrative Unit. The days available in the pool will come from donations of sick leave days made by members of the Unit with a 2:1 matching of days from the District (2 days unit members: 1 day District). Each administrator may contribute up to ten (10) sick leave days from his/her accumulated total prior to July 31 of the school year, so long as that donation plus the District's contribution does not cause the total number of days in the pool to exceed the maximum allowed.

A committee will be established each year to administer the sick leave pool. That committee will be composed of one administrator, one Board Member, and the Superintendent. It will be the duty of that committee to develop a procedure through which application to use days from the pool will be made and approved or disapproved.

It is agreed that an administrator may only make application to the sick leave pool committee after he/she has exhausted his/her own accumulated sick leave days.

D. **Personal Leave**

1. Each administrator will be granted up to six (6) days of absence per year for attending to business of a personal or legal nature when such occurrence is on a normal working day. If it should become necessary to utilize more than the six (6) days, permission to do so may be granted by the Superintendent upon written request of the administrator.

2. When possible, the administrator utilizing such leave will notify the Superintendent's Office on the appropriate forms at least two (2) days in advance of the intended absence.

3. At the close of the school year, unused personal leave days shall be added to any accumulated sick leave day total so long as that addition of days does not cause the total accumulated sick leave to exceed 250 days.

E. Community Service Leave

Approval for the use of community service leave will be at the discretion of the Superintendent of Schools. If approved, such leave will not be charged to other accumulated leave.

F. Sabbatical Leave

A sabbatical may be granted by the Board of Education to any administrator making application for the purpose of pursuing independent research, professional growth and achievement. The following procedures and requirements will be adhered to regarding sabbatical leave:

- 1) Seven (7) years of consecutive service in the District.
- 2) Possess permanent certification.
- 3) Agree to return to the District for a period equal to twice the time of the leave.
- 4) Leaves shall be granted for either one-half (1/2) or one (1) year.
- 5) Salary will be one-half (1/2) the annual salary whether the duration of the leave is one full year or for one-half (1/2) year.
- 6) The program must have prior approval of the Board of Education and Superintendent.
- 7) No more than one (1) sabbatical leave shall be granted during any one (1) year to reflect July 1 to June 30.

G. Military Leave

Any administrator shall be paid all salary and other benefits for any and all periods of absence to a maximum ordered temporary duty, as required by New York State Military Law. In case of any extended leave brought about by military obligations, the administrator affected shall be subject to the New York State Military Law and any other State or Federal statutes which may apply.

H. Child Rearing

In conjunction with a birth or adoption, an administrator will be entitled to an unpaid leave of absence for up to one (1) year.

I. Work Year

1. Administrators shall be 12-month employees with the work year beginning on July 1 and ending on June 30.

2. Administrators will work all weekdays except for the paid holidays celebrated by other 12-month employees of the district (currently totaling fourteen). In addition, 12-month employees will receive twenty (20) vacation days, increasing to twenty-five (25) vacation days at the completion of ten (10) years service to the district.

*With the prior approval of the Superintendent the Director of Physical Education and Athletics may work weekend days and paid holidays in place of weekdays. The compensatory weekdays shall be taken when school is not in session. Any administrator who fulfills an approved District function on a Saturday, Sunday, or holiday is eligible for the same consideration, upon approval of the Superintendent.

3. All proposed vacation days will be submitted to the Superintendent for approval prior to scheduled implementation to assure that adequate and appropriate district-wide coverage will be maintained throughout the calendar year. Administrators shall submit a proposed schedule of vacation days to the Superintendent of Schools as follows:

<u>Proposed Vacation Days</u>	<u>Submitted to Superintendent</u>
July 1 - August 31	June 15
September 1 - January 31	September 1
February 1 - June 30	February 1

Upon notification to the Superintendent, proposed vacation schedules may be altered after consultation with the administrator. Notification can be oral or written but is subject to approval by the Superintendent or his designee.

4. When the duties of the job, or the Superintendent, require an Administrator to work extra days, he/she shall receive compensatory time on a day for day basis. Compensatory time, or payment in lieu of same, is to be taken through mutual agreement of the Administrator and the Superintendent. Extra days will not be worked in anticipation of payment or compensatory time without prior written approval of the Superintendent.

5. Vacation days are to be utilized during the year allocated and not accumulated from one year to the next.

6. Days designated as school recesses are to be charged to vacation allocations if so utilized.

J. **Extended Work Year Proposal**

Commencing on July 1, 2002 a maximum of two administrators with ten years of service in the District may work five (5) days over the summer months (July and August) and be compensated at 1/222nd of his/her contractual step/day.

1. An extended work year proposal must be selected from a list provided by the District. The formulated list of projects will be available on or before January 15th.

2. Any administrator interested in working must submit a letter of intent identifying the project from the District list, describing how they will use these days, to the Superintendent or his/her designee to make the proposal acceptable by May 15th. In the event more than two administrators apply, the two administrators nearest the top of the seniority list will be selected. Those administrators will go to the bottom of the seniority list the following year.

3. In the event two administrators select the same project, the more senior administrator will have priority.

4. A complete description of the project results must be submitted to the Superintendent or his/her designee by September 15th. If the Superintendent or his/her designee deems that the project submission is in need of more detail, the administrator shall have two weeks to provide the additional requested information. The administrator will be paid by November 1st.

K. **Life Insurance**

The District will annually pay \$1,900. in life insurance premiums for each Administrator. This benefit will be pro-rated for employees leaving the District prior to the end of the year.

L. **Service Incentive**

Upon retirement, unit members will be paid a service incentive of \$25,000, according to the following conditions:

1. The member must be retiring within the three-year period commencing with his/her first date of eligibility without penalties imposed by the Retirement System.

2. The member must have completed at least 10 years of full-time service in the district. At least 5 of these years must be as an administrator in the Malone Central School District.

3. To be eligible for the service incentive, members who will retire must notify the Superintendent of their intention no later than 6 months prior to the effective date of retirement.

4. Payment may be made by December 31st of the year of retirement or on January 15th of the following year based on the request of the retiree. The maximum amount allowable, according to State regulations, will be applied towards the retiree's final year's salary, if the administrator so desires.

5. In the event that an employee who has submitted a notification to retire dies prior to receiving payment under this agreement, any monies due to the retiree as a result of this agreement shall be paid to the designated beneficiary (see Appendix to this contract), or to the estate of the retiree.

6. If a qualified replacement for the retiring administrator is not employed by the District by the date the administrator is scheduled to retire, the administrator's services may be extended by mutual agreement, and if so extended, the \$25,000 service incentive payment shall be made on or after the extended retirement date.

M. **Life Insurance After Retirement**

The District will pay up to 60% of the maximum paid to non-retired administrators on Life Insurance premiums for retired administrators.

N. **Fringe Benefits After Retirement**

All fringe benefits in this contract will be binding for the life of the retiree, unless negotiated differently in the future. (Thus, mutual consent would be required).

ARTICLE X
DISCIPLINE PROCEDURE

No administrator shall be disciplined, reprimanded, reduced in rank or compensation, suspended, demoted, or have a contract terminated, or be otherwise deprived of any professional advantage without just cause. Any such action or violation of professional ethics asserted by the Board of Education shall be subject to the grievance procedure set forth in this agreement.

ARTICLE XI
GRIEVANCE PROCEDURE

A. A grievance is a claim by any person or group of persons in this unit based upon any event or condition affecting the terms and/or conditions of their employment as contained in this contract. If an administrator or group of administrators, does not file a grievance in writing within thirty (30) days of the time that the administrator knows, or should have known, of the act or condition in which the grievance is based, then the grievance shall be waived. A dispute as to whether a grievance has been waived under this paragraph can be construed to be a grievance.

B. To keep to a minimum, personal and interpersonal conflicts which may occur within the normal operation of the school system, the grievance procedure shall be as follows:

1. **Step 1** - An Administrator having a grievance will discuss it with his/her immediate supervisor with the object of resolving the matter informally. If the grievance is not resolved, the Administrator may then proceed to "step 2" as provided in this procedure.

2. **Step 2** - If the Administrator initiating the grievance is not satisfied with the decision at the conclusion of Step 1, he/she may then present the grievance to the Association; i.e. the Administrators' Association, for its consideration. If the Association determines that the Administrator has a valid grievance, it will then present said grievance and supporting evidence in writing to the Superintendent or his/her designee. Following the presentation of the grievance, the Superintendent shall answer, in writing, within five (5) working days. If the grievance is not resolved to the satisfaction of the grievants, the administration may proceed to "Step 3".

3. **Step 3** - If the Administrator does not accept the decision rendered at Step 2 he/she may appeal to the Board. This written appeal must be filed within ten (10) working days after receipt of the decision rendered at Step 2 and must be presented to the President of the Board. The President shall call an executive session of the Board within fifteen (15) days after receipt of the appeal. A decision on the grievance shall be rendered within ten (10) working days of this meeting and all parties involved will be notified in writing of the decision. If the decision is not satisfactory to the grievant or grievants, he/she or they may, within fifteen (15) days after receipt of such decision, submit the question to arbitration. The arbitrator shall be selected with and pursuant to the rules of the New York State Public Employees Relations Board. The cost of arbitration shall be borne by the District.

ARTICLE XII
MAINTENANCE OF STANDARDS

Except as provided in this agreement, all conditions of employment and general working conditions shall remain the same as those existing at the commencement of this agreement. The Board of Education or its designee shall not diminish or impair any conditions of employment or working conditions during the period of this agreement, unless mutually agreed upon by the District and the Unit.

ARTICLE XIII
SALARY

Salary adjustments for the life of the three year contract will be made as outlined in appendix "A."

ARTICLE XIV
DURATION OF AGREEMENT

All items agreed to in this contract shall be in effect from July 1, 2002 through June 30, 2005. Any and all alterations to this agreement shall be by mutual agreement of both parties.

IN WITNESS WHEREOF, each of the parties hereunto has caused these present to be executed by its proper officer, hereunto duly authorized.

By: 
PRESIDENT

MALONE CENTRAL SCHOOL DIST.
BOARD OF EDUCATION

By: 
PRESIDENT

M.A.A. (Malone Administrators' Assn.)

By: 
SUPERINTENDENT OF SCHOOLS

2/9/02

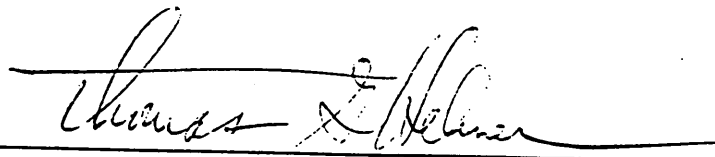
APPENDIX A

NAME	2001-02	INCREASE	2002-03	INCREASE	2003-04	INCREASE	2004-05	TOTAL	%
SPATARO	75000	2770	77770	2050	79820	1810	81630	6630	8.84%
SCHRADER	75000	2770	77770	2050	79820	1810	81630	6630	8.84%
MERRICK	71636	3234	74870	1950	76820	4810	81630	9994	13.95%
YANDO	69386	3584	72970	2425	75395	2725	78120	8734	12.59%
KILCULLEN	65086	3584	68670	2750	71420	1980	73400	8314	12.77%
DUNSHEE	65086	3584	68670	2750	71420	1980	73400	8314	12.77%
IRITZ	63086	3584	66670	2750	69420	1570	70990	7904	12.53%
BRIGHT	63086	3584	66670	2750	69420	1570	70990	7904	12.53%
SEYMOUR	61586	3414	65000	2600	67600	1800	69400	7814	12.69%
SCHEIDEGGER	61586	3414	65000	2600	67600	1800	69400	7814	12.69%
TOTAL	670538	33522	704060	24675	728735	21855	750590		
			5.00%		3.50%		3.00%		

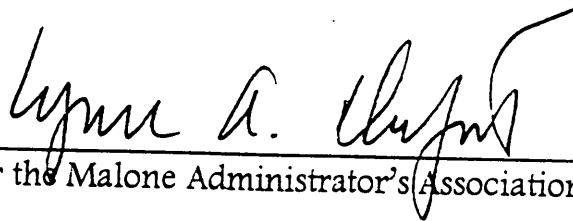
LONGEVITY BASED ON MALONE CENTRAL SCHOOL DISTRICT SERVICE PER THE FOLLOWING AND A MINIMUM OF 10 YEARS SERVICE AS A DISTRICT ADMINISTRATOR:

10 YEARS	\$500
15 YEARS	\$1,000
20 YEARS	\$1,500

The undersigned parties have ratified the following Memorandum of Understanding and agreed to incorporate it into their collective bargaining agreement.



For the Malone Central School District



For the Malone Administrator's Association

13 December 96

Date

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is between the employer representatives of the school districts which are members of the F-E-H Health Benefits Consortium and the local unions which are duly recognized as bargaining agents for the employees in the aforementioned member school districts, subject to ratification by the respective parties.

Districts

Franklin-Essex-Hamilton BOCES
Brushton-Moira Central
Chateaugay Central
Lake Placid Central
Malone Central

St. Regis Falls Central
Salmon River Central
Saranac Lake Central
Tupper Lake Central

Unions

Teachers:

F-E-H BOCES Teachers' Association
Brushton-Moira Teachers' Association
Chateaugay Chapter, NYSUT
Lake Placid Education Association, NYSUT
Malone Federation of Teachers
St. Regis Falls United Teachers Association
Salmon River Teachers Association
Saranac Lake Teachers' Association
Tupper Lake United Teachers

Non-Instructional:

F-E-H BOCES CSEA
Brushton-Moira Non-Teaching Association
Chateaugay Central CSEA
Lake Placid Central CSEA
Malone Central School Unit of CSEA
St. Regis Falls Non-Instructional Association
Salmon River Central Unit of CSEA
Saranac Lake Central CSEA
Tupper Lake Central CSEA

Administrators:

F-E-H BOCES Administrators' Association
Malone Central Administrators' Association
Salmon River Central Administrators & Supervisors Association
Saranac Lake Supervisory Unit

Memorandum of Understanding

Page 2

1. The parties shall establish a governance structure which provides joint and equal representation for employers and employees effective upon signing of the Memorandum of Understanding. Such joint board will be composed of nine (9) school district representatives and nine (9) bargaining unit representatives.

The parties are currently investigating the proper legal vehicle which must be established in order to effect the intended governance structure. Once that is determined, it is the intent of the parties to take any and all necessary actions to put this joint governance structure in place. Meanwhile, a joint board will be created as defined above. Any decisions made by this joint board will come before the current Board of Directors with the understanding that said decisions shall be approved.

2. Reserves and surpluses during the initial period commencing July 1, 1996 and further referenced in item 14 will be maintained as follows:
 - A. Reserves - equal to 25% of Projected Annual Claims.
 - B. Unencumbered Surplus - 7% of Projected Premiums.

The governing board of the consortium specified in item 1 above shall determine the allocation and use of funds in excess of reserves and/or unencumbered surplus amounts/percentages. It is agreed and understood that no new benefits will be added to the plan prior to July 1, 1999 except as mandated by law.

3. The Consortium will maintain annual premiums for the 1996-97, 1997-98 and 1998-99 school years as follows, (subject to per capita entitlement calculations; see item 12E).

Single Coverage	-	\$2,280.
Family Coverage	-	6,012.
Single Over 65	-	444.
Family Over 65	-	852.

These premiums cannot be changed during the aforementioned three-year period except under extraordinary circumstances to be determined by the joint governing board or as necessitated by per capita entitlement calculations.

However, in no instance will participating districts be liable for premium increases over and above the Bureau of Labor Statistics for Northeastern United States Medical CPI for the latest 12 month period available as of March 1 in any given year, except as necessitated by per capita entitlement calculations.

Memorandum of Understanding

Page 3

4. The drug co-pay amounts and major medical deductible amounts will be:

A. Drug Co-Pay (*Preferred Choice Plan, effective January 1, 1997*)

Amounts

\$3.00	- Generic
\$5.00*	- Brand name, if doctor indicates "dispense as written" (DAW)
\$0.00**	- Mail order

*1 If a generic equivalent does not exist, the generic co-pay will apply.

*2 At the employee's option, if doctor does not indicate DAW, then the brand name is available only upon the payment of the brand name co-pay and the difference between the cost of the brand name drug and the generic drug.

** All maintenance drugs must be obtained by mail order and must be the generic variety unless the prescribing doctor indicates DAW.

B. Major Medical Deductible (*Effective January 1, 1997*)

Amounts

\$150/\$450

5. The "triggering event" which would necessitate the governing board to act by March 1, 1999 effective on July 1, 1999 for the 1999-2000 school year and on March 1, for any school year thereafter would be a projected diminishment of reserves and surpluses below the agreed upon levels as specified in item 2 above determined by the Plan's Consultant and subject to independent verification should a majority vote of the governing body demand such, after a premium increase equivalent to the Bureau of Labor Statistics for Northeastern United States Medical CPI for the latest 12 month period available as of March 1 in any given year has been applied in any applicable plan year (school fiscal year).
6. All participating districts in the Franklin-Essex-Hamilton Health Insurance Consortium will establish a flexible spending plan pursuant to IRS Section 125 regulations which shall go into effect no later than January 1, 1997. Such plan shall be administered by a plan administrator initially agreed upon by the negotiating teams. Subsequent to adoption of such plan, the plan's operating procedures shall be determined by the governing board and any applicable IRS Regulation(s). This plan may be utilized for premium payments, dependent care, and unreimbursed medical expenses.
7. Parties ratifying this Memorandum of Understanding as outlined in item 15 hereby agree to simultaneously incorporate this Memorandum of Understanding into their respective Collective Bargaining Agreements.

Memorandum of Understanding
Page 4

8. Any "other" agreements entered into by the respective parties that are in conflict with the terms or intent of the agreement reached in this negotiation shall be amended to incorporate the terms and/or intent of said agreement as necessary and/or appropriate.
9. Any rights guaranteed to members and dependents, retirees and their dependents under the Consortium shall not be diminished or altered except as expressly stated in this Memorandum or later approved by the joint governing board.
10. Employee members of the governing board will be released from work to attend any meetings of the governing board or of its subcommittees. Meetings will be held quarterly during the school day except as otherwise agreed to by the governing board.
11. If a majority of the full governing board fails to agree on the meaning or interpretation of any of the terms of this Memorandum and/or the legal document(s) which are created to effect the joint governance structure, the issue shall be submitted to the American Arbitration Association for expedited adjudication of the dispute. The power of the arbitrator shall be limited to the resolution of the meaning and/or interpretation of specific language found in this Memorandum and/or the joint governance document(s) referenced above; and, the arbitrator shall have no power to add to, amend, or delete any of the terms of this Memorandum and/or the joint governance document(s). The decision of the arbitrator shall be final and binding on the parties to this Memorandum.
12. Dual Coverage
 - A. All existing contract language regarding dual coverage remains in effect through June 30, 1997. Effective with the signing of this memorandum, present employees may not change coverage without a change in marital status, gain/loss of dependents or other change in life circumstances affecting health insurance coverage.
 - B. Effective January 1, 1997, new hires and their spouses are restricted to one family coverage or, at their option, two individual coverages. Employee spouses choosing family coverage under this provision will both be named equally as covered employees. For actuarial purposes, claims will be aggregated according to the birthday rule and the total amount will be divided effective at the end of the school year if the spouses are employed in different school districts within the Consortium. The Consortium shall assure that claims for the employee(s), their spouses and dependents for any and all health insurance claims which would have been paid if each employee had opted for a family plan will be paid.

Memorandum of Understanding
Page 5

- C. Effective July 1, 1997, all employees and their spouses are restricted to one family coverage, or at their option, two individual coverages. Employee spouses choosing family coverage under this provision will both be named equally as covered employees. For actuarial purposes, claims will be aggregated according to the birthday rule and the total amount will be divided effective at the end of the school year if the spouses are employed in different school districts within the Consortium.

The Consortium shall assure that claims for the employee(s), their spouses and dependents for any and all health insurance claims which would have been paid if each employee had opted for a family plan will be paid.

- D. New premium rates will be computed effective July 1, 1997 based on the gain/loss of single and family coverage at a level necessary to generate a pool of money as if no change was made. Effective March 1, 1997 and on March 1st each year thereafter, a demographic comparison of the number of employees otherwise eligible for a second family coverage shall be performed. If the number of such employees has changed in comparison to the prior year, then the total pool of money may be increased or decreased accordingly as determined by the governing board. Any adjustment shall be reflected in the following year's premium rates. The freeze on rates for 97-98 and 98-99 does not apply to the redistribution of the total premium dollars. Effective July 1, 1997 and each year thereafter, the total pool of money shall be adjusted to reflect changes in per capita enrollment and all applicable premium increases.

It is agreed and understood that participating districts reserve the right to phase in the necessary premium adjustments over a two (2) year period as follows:

- Billed rates for 97-98 will reflect 50% of the impact of the new premiums.
- Billed rates for 98-99 will reflect 100% of the impact of the new premiums.

- E. The billed rates for 98-99 form the basis upon which the analysis of the plan performance and the projection for 1999-2000 will be made. That is, the maximum increase in district cost shall include any increases resulting from per capita enrollment increases and application of the Medical CPI as defined elsewhere, applied to the new higher rates.

13. Contracts with proposed third party administrators and plan consultants will be bid at the conclusion of the current contracts. The contract for prescription drug coverage will be bid immediately.

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14. There shall be a moratorium on negotiations for employee health insurance contributions or health insurance benefits at the individual district tables commencing upon the ratification of this Memorandum and expiring July 1, 2002. This moratorium does not extend to any other insurance benefits, such as dental, optical, life, disability, etc.
15. This Memorandum of Understanding is subject to review prior to October 1, 1996 by legal representatives of both parties. In order to participate in this Memorandum of Understanding, parties must take appropriate action prior to November 1, 1996.

FOR THE UNIONS:

CSEA:

By: Charles Bird
Charles Bird

By: Mary W. Hanna
Mary Hanna

By: Betty J. Demers
Betty Demers

By: Ken Lushia
Ken Lushia

NYSUT:

By: Lynn Blais
Lynn Blais

By: Greg Littell
Greg Littell

By: Pamela B. Martin
Pamela Martin

By: Deborah A. Taylor
Deborah A. Taylor, for and on behalf of the
NYSUT Affiliated Unions

By: Richard R. Van Wormer
Richard R. Van Wormer, for and on behalf
of the NYSUT Affiliated Unions

FOR THE DISTRICTS:

By: Gerald Blair
Gerald Blair

By: Patrick Cannon
Patrick Cannon

By: David Desantis
David Desantis