

COMPENSATION

2.100 For the period of this Agreement, or as mutually agreed otherwise, regular full-time unit members i.e., Teachers, Counselors, Media Specialists, and Psychologists will be paid salaries in accordance with the salary schedules in the Appendix of this Agreement.

If the Charter School and the Association reach an agreement, in any given year, prior to the settlement of negotiations with the Orange Unified School District (OUSD) and if the settlement with OUSD is greater than that reached with Charter, then the Santiago Charter Board will make the necessary adjustments in order to comply with the Charter Document that states that salary and benefits shall be at least equal if not greater than those offered in the Orange Unified School District.

2.105 Payment of Salaries All raises and retroactive salaries shall be paid within ninety (90) days of ratification by the **Charter** Board.

All placements on the salary schedule, movements on the salary schedule, etc. shall be paid within ninety (90) days of submitted verification requirements.

The **Charter** shall endeavor to pay money due for stipends, extra pay assignments, mileage, and/or other miscellaneous pay on the check for the pay period for which the assignment was performed, but in no cases shall payment be more than ninety (90) days after the submission for the service or duty.

If payment is made within the above-stated time periods any statutory or other penalties or interest shall not apply and are expressly waived.

2.110 A. The salary schedules are included in this agreement as **Appendices B 1-4.**

B. A \$1,000 increment annually shall be added to the salary schedule for those teachers who have **received** a doctorate degree **from an institution of higher learning which is accredited by the Western Association of Schools and Colleges or other recognized accreditation organization** and/or have attained National **Board Certification as recognized by the National Board for Professional Teaching Standards (NBPTS).**

Appendix B1 - CT/CE -Teacher/Nurse Salary Matrix
 B2 - CC-Counselor Salary Matrix
 B3 - CM-Media Specialist Salary Matrix
 B4 - CP/CO-Psychologist Salary Matrix

2.115 The teacher/nurse schedule **shall be** 185 days. **The number of contracted days for unit members on schedules B2-B4, shall be equivalent to those days worked in the 2004-05 school year.**

2.116 **See Appendix B__ for the Extra Pay including Department Chairpersons, Certificated Hourly Rates, Athletics and Special Assignments.**

Note: All references to the Extra Pay including Department Chairpersons, Certificated Hourly Rates, Athletics and Special Assignments shall refer to Appendix B7.

2.117 Voluntary Buyout of Retiree Medical Benefits

- A. Current active bargaining unit members who are eligible for lifetime benefits and have met the 10 and/or 15 year service requirements outlined in the current agreement and who elect to waive their post age 65 health and welfare benefits shall be paid a \$10,000 buyout payment, if they elect this option. The employee election of this benefit shall be made **during the effective dates of this agreement as outlined in Article 1.400**. Payment shall be made within 90 days of filing the written election waiver document following consultation with an administrator in the _____. Said employee shall remain eligible for employee-only health and welfare coverage through a District sponsored HMO plan from retirement to age 65.
- B. Other active bargaining unit members eligible for this benefit and who elect this option but who have not yet reached the 10 and/or 15 year service requirements, will receive the \$10,000 payment within 60 days of reaching the 10 and/or 15 year vesting requirements set forth in the current agreement.
- C. In lieu of the \$10,000 cash buyout, an employee eligible for retiree medical benefits may elect to receive the amounts specified on the Deferred Cash Option table (sliding scale up to \$27,000) attached. These payments shall be paid out in five (5) equal payments commencing in January following retirement.

2.118 Part-time unit members will be paid on a prorated basis in accordance with the practice in existence at the signing of this Agreement.

2.119 Retirees may be hired as teachers for the class size reduction program. The ~~District~~ **Charter** shall not make additional contributions for health and welfare benefits for these employees. ~~Effective July 1, 1997, the District~~ **Charter** shall place these employees on the salary schedule in accordance with ~~District~~ **Charter** placement policy in effect at the time of employment.

2.200 The regulations for salary placement and advancement will be according to the provisions of Appendix C.

2.300 Health and Welfare Benefits

2.310 Active Employee and Eligible Retiree Health and Welfare Benefits and Contributions

2.311 Within the cost maximums set forth below, the **Charter** shall pay the actual cost of providing health and welfare benefits (medical, dental, prescription, vision, and for actives only, life insurance) through an HMO plan for all **eligible** active employees and their eligible dependents, and through an HMO plan or Medicare Risk HMO for all eligible retirees and their dependents. Eligibility shall be set forth in the current agreement. All retired plan participants age 65 and over may be placed in a Medicare Risk HMO at the discretion of the **Charter**.

The **Charter** shall pay the actual cost of the health and welfare benefits up to the following specified **Charter** maximum annual contributions, subject to the dependent contributions provided in Section 2.139. The **Charter** shall also

make the same contributions for **eligible** employees who elect to participate in the District offered PPO program. Active employees/retirees shall be assessed the difference between the agreed upon **Charter** maximum contributions (“the District CAPS”) as listed below and the actual plan cost, which is commonly referred to as the employee/retiree buy-up cost for the programs. Assessments shall be made through payroll deductions for active employees and monthly contributions paid by retirees.

2.312 **Charter** Annual Contributions For Active Employees, effective October 1, **2006**

\$4,908 for single coverage for active employees

\$9,639 for single plus one dependent coverage for active employees

\$13,561 for family coverage for active employees

2.313 **Charter** Annual Contributions For Eligible Retirees, effective October 1, **2006**

\$4,787 for single coverage for eligible retirees

\$9,518 for single plus one dependent coverage for eligible retirees

\$13,400 for family coverage for eligible retirees

2.314 “Eligible employees” refers to active employees assigned on a full time basis of 50% or more of an FTE. Employees approved to work under the provisions of Article 19, Shared Contract, share one teaching position/benefit package which includes one benefit package designation.

2.315 “Actual cost” as used in this section shall mean the actual premium paid by the **Charter** to the HMO or other provider, if any, for health and welfare benefits, including the cost of medical, dental, vision, and for active employees only life insurance benefits, as provided by the District health and welfare plan. The above maximum contributions by the **Charter** shall be reduced by the amount of the required employee dependent contributions (\$150 one dependent; \$300 two or more dependents) set forth in section 2.319.

2.316 All Medicare eligible retirees and their dependents, have the option of enrolling in the District provided HMO or PPO plan(s) subject to the provisions of this article, including sections 2.311, 2.313, and 2.319.

2.317 Employees who retire from the **Charter** who are not eligible for lifetime medical benefits shall have single HMO coverage to age 65.

2.318 Active employees and eligible retirees with dependent benefits shall have the option of paying the additional cost above the maximum amounts set forth above for any plan offered through the District for themselves and/or their dependents. The cost of the buy up for retirees shall be based on the difference between the CAP amounts in section 2.313 and the cost of the plan selected by the retiree plus dependent costs. Retirees who do not have dependent coverage may also purchase dependent benefits at the actual additional cost of such benefits.

2.319 All active employees shall by payroll deduction contribute for dependent health and welfare coverage the following annual amounts: \$150 per year for one dependent; \$300 per year for two or more dependents. Retirees who have a dependent lifetime Retiree Medical benefit shall pay \$150 per year for one dependent or \$300 per year for two or more dependents.

2.320 All eligible retirees age 65 and over shall enroll in Medicare Parts A and B. The **Charter** shall pay one-half the Medicare Part A premium for up to ten years for any eligible retiree age 65 and over who does not qualify for Medicare or the STRS pickup for Medicare Part A.

2.321 District Administration of Benefits

A. A benefits committee composed of four members appointed by the Association and four members appointed by the District shall decide upon plans including bids from other providers for new plans and benefits within the maximum cost figures set forth in the Agreement. Both parties agree to fully cooperate in preparation of data for RFP's and evaluation of responses. Such benefits committee decisions shall be decided by unit vote of the District representatives and the Association representatives. The committee shall not make any decision that would cause the cost of benefits to be above the negotiated maximums set forth in the Agreement. In the event of a deadlock the matter shall be presented to binding arbitration. The arbitrator shall have no authority to make a decision that would cause the cost of benefits to be above the negotiated maximums ("the District CAPS") set forth in the Agreement. It is recognized that the actual plan total premium costs may exceed the CAPS.

2.330 Insurance Coverage - Temporary Teachers

2.331 Temporary teachers working less than 75% of the year - insurance ends June 30th if not rehired prior to June 30 for the ensuing school year. If rehired, insurance continues through September 30 **for T-track**.

2.332 Temporary teachers working more than 75% of the year **in a T-track assignment** - insurance continues through September 30.

2.340 All active employees who are covered by the District's health and welfare program and elect to release their annual health and welfare benefits shall receive \$1,500 per year in tenthsly payments of \$150 in exchange for release of such benefits. In the event such employees (who waived their health and welfare benefit) incur additional costs to secure coverage in another insurance plan, the **Charter** will pay the actual cost of such coverage, not exceeding \$100.00 per month. To be eligible for this additional payment the employee will be required to provide written proof of cost incurred. This payment is taxable to the employee.

Proof of alternative health insurance coverage will be required annually by the District from any active employee who chooses to opt out. Any active employee

who opts out of the health and welfare benefit program during active employment will be given the opportunity to opt in at any time under the terms of the District plan on the giving of reasonable notice, if he/she loses eligibility for his/her existing health insurance program due to a change in insurance status.

- 2.400 Former employees, surviving spouse and dependent children may continue the Health Plan provided by the **Orange Unified School District** at his/her own expense as required by state and federal statutes and/or regulations.
- 2.500 The **Orange Unified School District** shall provide payroll deductions for tax sheltered annuities for the annuity of the unit member's choice.
- 2.600 The **Orange Unified School District** shall provide for an IRS Section 125 Plan for employee medical and child care contributions.

2.640 Effect of Leave of Absence

- 2.641 Paid Leave of Absence--An approved paid leave of absence shall not constitute a break in service and shall count as **Charter/Orange Unified School District** service credit toward the consecutive years of service requirements for the Retiree Health and Welfare benefits.
- 2.642 Unpaid Leave of Absence--An approved unpaid leave of absence shall not constitute a break in service, but shall not count as **Charter/Orange Unified School District** service credit toward the consecutive years of service requirement for Retiree Health and Welfare benefits.
- 2.643 Disability--A bargaining unit member who qualifies for a STRS or PERS disability and has the required years of **Charter/Orange Unified School District** service shall be the exception to the rule of being at least fifty-five years of age to receive Retiree Health and Welfare benefits. The benefit under this section shall be limited to five years of HMO employee only Health and Welfare benefits.

2.700 Retiree Health and Welfare Benefits (excludes life insurance)

2.710 Benefits and Contribution Rates for Eligible Retirees

Benefits for Eligible Retirees Employed on or Before June 30, 1991 and retiring Prior to September 1, 1997

Commencing November 1, 2000, the **Charter** shall contribute the amounts specified above in this Article toward the cost of medical, dental and vision insurance for each eligible retiree employed by the District on or before June 30, 1991, and is at least 55 years of age and has worked ten (10) full consecutive years or more for the District immediately preceding retirement. The contributions shall provide benefit coverage for eligible dependent(s) of qualifying retirees.

2.711 Benefits for Eligible Retirees Employed On or After July 1, 1991 and Prior to July 1, 1992

Unit members employed by the **Orange Unified School District** on or after July 1, 1991, must have fifteen (15) years of continuous service in the **Charter/Orange Unified School District** and qualify for retirement under the State Teachers Retirement System in order to be eligible for retiree health and welfare benefits as set forth herein.

Effective July 1, 1991, newly employed unit members, upon retirement shall receive retiree HMO coverage and dental and vision benefits as provided to active union members and their dependents until age 65, subject to the contribution limitations applicable to retirees. At age 65, these employees and dependents shall receive coverage by Medicare and a Medicare supplement plan or Medicare risk HMO, at the discretion of the **Orange Unified School District**. The **Charter** shall pay the actual cost of this benefit subject to the contribution limitation applicable to retirees. This benefit is not extended to unit members newly employed or reemployed by the **Charter/Orange Unified School District** on or after July 1, 1992.

2.712 Benefits for Future Retirees Who Have 15 years of Service with the **Charter/Orange Unified School District** or Who Have 10 Years of Service with the **Charter/Orange Unified School District**. (Hired prior to June 30, 1991 and do not have lifetime health and welfare benefits.)

Future retirees aged 55 to 65 who have 15 years of service with the **Charter/Orange Unified School District** or those hired prior to June 30, 1991 who have 10 years of service with the **Orange Unified School District**, who do not have lifetime health and welfare benefits shall be provided single HMO coverage during the period of their retirement ages 55 to 65, however, this shall not be a vested benefit. Retirees eligible for this single HMO coverage benefit for their retirement ages 55 to 65 may elect to release this benefit for payment by the **Charter** of \$1,000.00 per year with maximum cumulative payments of \$10,000.00.

2.713 Medicare and Medicare Election

All eligible retirees age 65 and over shall enroll in Medicare Parts A and B. The **Charter** shall pay one-half the Medicare Part A premium for up to ten years for any eligible retiree who does not qualify for Medicare.

2.714 Benefits for Eligible Retirees Retiring Prior to September 1, 1997

The health and welfare benefits (with the exception of life insurance) for eligible retirees shall be at least equivalent to those for active employees and shall be limited to those programs offered by the District.

2.718 In lieu of paying the cost toward a District-selected medical insurance program under section 2.710 above, the **Charter** may, at its sole discretion, pay the cost toward comparable Medicare coverage for eligible retirees who qualify for Medicare, whichever is the lesser amount.

2.720 Surviving spouses of retirees may participate in the Health Plan provided by the **Orange Unified School District** at his/her own expense as required by state and federal statutes and/or regulations.

2.730 Retiree and retiree spouse and surviving spouse benefits outlined in 2.720, above shall be managed by the *Orange Unified School District* as outlined in Articles 2.321.

2.740 “All retired employees who wish to release their interest in lifetime benefits will be given an annual payment of \$2,700 for up to ten (10) consecutive years. Said annual payment shall cease upon the death of the retiree. The payment shall be prorated from the date of the initial selection by the retiree of this option. This payment is taxable to the employee. To remain eligible for the above referenced annual payment, the retiree must remain in retirement status with STRS/PERS.”

2.800 Early Retirement

2.810 The **Charter** may, at its sole discretion, maintain programs for early retirement and pre-retirement part-time employment as set forth in Appendices D1, D2, D3, and D4.

The **Charter** at its sole discretion may implement a retirement incentive program. If implemented, it must be made available to all bargaining unit members meeting the eligibility requirements.

2.820 Unit members who desire to participate in early retirement programs **offered by the Charter**, must submit their letter of intent to the **Charter** in accordance with time lines set forth by the Charter each year.

2.1000 Extended Work Day Compensation

2.1010 Emergency Service Compensation

In the event a unit member is requested by the **Charter Board** or designee to work beyond the normal work day or work week to repair an instructional area due to fire, flood or vandalism, the unit member shall be paid the miscellaneous rate to a maximum of eight (8) hours.

2.1020 Additional Service Compensation

Unit members shall not be required to perform additional duties during preparation time. Should unit members volunteer to perform such duties, those additional duties that require the loss of preparation time shall be compensated at the miscellaneous hourly rate of pay and shall be paid upon notification and accounting of the time lost. Additional duties before and after the work day must have the immediate supervisor's approval and are paid at a rate equal to the miscellaneous hourly pay.

2.1030 Substitute Service Provision

Unit members who voluntarily provide substitute service shall be paid at the miscellaneous hourly rate of pay, as outlined in Article 2.3000. However, any time worked beyond forty-five minutes shall be credited as having worked one (1) full hour and, at a minimum, any time worked shall be credited as one-quarter (1/4) hour of work.

2.2000 Hourly Salary/Rate of Pay

“Hourly salary” or “hourly rate of pay” shall be determined for unit members as follows:

2.2010 Unit members assigned to an elementary work site shall have their annual salary divided by the number of annual work days, with that quotient divided by six.

2.2020 Unit members assigned to the secondary schools shall have their annual salary divided by the number of annual work days, with that quotient divided by the number of teaching periods. (Senior High has five (5) teaching periods. Middle School has six (6) teaching periods.)

Example: IF: Work days = 185, Annual salary = \$30,000, Teaching periods = 6. THEN: Hourly salary/pay rate = \$30,000, divided by 185 divided by 6 = \$27.03.

2.3000 Miscellaneous Hourly Rate of Pay

“Miscellaneous Hourly Rate of Pay,” as referred to in this agreement shall be defined as .08% of Step 1, Column A salary on the Teacher/Nurse Schedule. “Step 1” as listed in this provision shall not be confused with the “Entry Level Salary.” Example: If, Step 1, Column A were \$25,000, then the Miscellaneous Hourly Rate of pay would be \$20.00, calculated as follows: $\$25,000 \times .0008 = \20.00 .

2.4000 The unit member may request to have his/her salary or a portion of his/her salary electronically transferred to a financial institution of his/her choice. If the County Department of Education offers electronic transfer of salary to a financial institution of the unit member’s choice, the District will provide this option to unit members as provided by County regulations.

2.5000 Stipends, extra duty remuneration, and overtime pay of salary shall be paid to the unit member in a manner so as to legally minimize the effect of additional taxation due to increased compensation in any pay period(s).

2.6000 Mileage

Unit members will be eligible for mileage reimbursement at the current maximum IRS reimbursement rate according to the established practices of the District for such reimbursement. In addition, reimbursement will be available for “Open House,” “Back-To-School” and supervision duties which require a unit member to return to school in the evening and which are not compensated by listed stipends. Payment will be made upon the accumulation of a reimbursable amount in excess of ten dollars (\$10.00). Amounts less than \$10.00 shall be submitted at the end of the work year. Payment to be made following the work year.