

TO: BOARD OF TRUSTEES

FROM: SUPERINTENDENT

COMMUNICATION NO. 53-2009/10-HR

Prepared by the Office of the Vice President Human Resources

For Presentation to the Board of Trustees

September 14, 2009

SUBJECT: MEMORANDUM OF UNDERSTANDING BETWEEN THE ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT AND THE ANTELOPE VALLEY COLLEGE FEDERATION OF CLASSIFIED EMPLOYEES REGARDING HEALTH AND WELFARE BENEFITS.

A. BACKGROUND

For the plan year beginning October 1, 2009 to September 30, 2010, California Value Trust (CVT) announced a 9.5% increase in the District's healthcare benefit packages. The SIRMA III revised 2009-2010 renewals included a 1.38% decrease in the Delta Dental package, with a decrease of 2.60% in the Medical Eye Service (MES) benefit.

The District and AVCFCE expressed agreement on a Memorandum of Understanding modifying Article VIII of the AVCFCE-AVCCD Collective Bargaining Agreement. The agreement phases the benefits provisions and temporarily reaffirms the agreement to retain the \$13,385.10 benefits cap. It obligates the District to pay for the difference between the health and welfare benefits costs and the District benefits cap and employee contributions. In addition, it provides for a single contribution for couples toward benefits costs, and provides agreement for review of any one-time cost savings distribution.

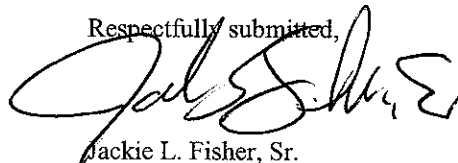
B. BUDGET IMPLICATIONS

The fiscal impact of the agreement will be reviewed after the open enrollment for all employees. The provisions agree to review any one-time cost savings distribution.

C. RECOMMENDATION

It is recommended that the Board of Trustees agree to the Memorandum of Understanding that has been tentatively agreed to by the District and the AVCFCE (attached).

Respectfully submitted,



Jackie L. Fisher, Sr.
Superintendent/President

Prepared By:



Shane Turner
Assistant Superintendent/Vice President
Human Resources and Employee Relation

Office of Human Resources

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MEMORANDUM OF UNDERSTANDING BETWEEN THE ANTELOPE VALLEY COMMUNITY COLLEGE DISTRICT AND THE ANTELOPE VALLEY COLLEGE FEDERATION OF CLASSIFIED EMPLOYEES REGARDING HEALTH AND WELFARE BENEFITS.

Memorandum of Understanding
between
the Antelope Valley Community College District,
and
the Antelope Valley College Federation of Classified Employees
August 26, 2009

Health and Welfare Benefits

The following provisions will be made regarding classified benefits, section 8.2 of Article VIII of the Collective Bargaining Agreement for the plan year beginning October 1, 2009 to September 30, 2010:

Medical Plans—

The District will offer the following medical plans, including the Employee Assistance Program, to all permanent full-time and part-time employees and retirees, effective October 1, 2009:

- a. Blue Cross 1A
- b. Blue Cross 2C
- c. Blue Cross 3C
- d. Blue Cross 6A
- e. Kaiser #1
- f. Kaiser #8
- g. High Deductible PPO #2

Domestic partners are eligible for benefits under the medical plans, subject to CVT's "Domestic Partner Guidelines."

Additional benefits offered beyond the medical plans include Delta Dental, Medical Eye Services, Term Life Insurance and Income Protection. These additional benefits are not currently available to adjunct faculty. Retirees are included in all additional benefits except for the income protection plan.

Contributions—

- The annual District cap will remain at \$13,385.10.
- The employee contribution for all full-time permanent employees and retirees shall be the same amount for the same plans (e.g., plan 1A will cost the same for both, as will plan 2C etc.).
- Married couples or recognized domestic partners covered under the District's health and welfare benefits plan who elect enrollment in the same health plan shall be responsible for paying only one contribution.
- The District's contribution for permanent employees working less than full-time shall be based on a percentage of employment. Such employees may waive enrollment in any plans in which they are not required to be enrolled and use the District's contribution to cover up to the full cost of the plans in which they are enrolled.

- Active employee deductions will be made tenthly.

For 2009-10 benefits year, the employee contribution for full-time permanent employees and retirees shall be

- a. Blue Cross 1A: \$972
- b. Blue Cross 2C: \$408
- c. Blue Cross 3C: \$ 72
- d. Blue Cross 6A: no employee contribution
- e. Kaiser #1: no employee contribution
- f. Kaiser #8: no employee contribution
- g. High Deductible PPO#2: no employee contribution

For the 2009-10 benefits year, the District will cover any costs not covered by the District cap plus the employee or retiree contribution.

The classified bargaining unit will be using the current billed rate and NOT switch to the combination rate.

The District will apply the necessary amount from the 2008/09 benefits savings of \$306,434.80 to cover the additional out of pocket cost that the covered members would incur if the rate increase were passed on to them during the 2009/10 benefits year. Cost will be calculated based on covered members as of October 1, 2009.

Any savings not applied to 2009/10 benefits costs as of the October 1, 2009 calculation will remain set aside for future joint negotiations on benefits costs.

Dr. Jackie S. Fisher	Date
President, AVCCD	

Pamela Ford	Date
President, AVCFCE	

Officer, AVCFCE	Date
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