Contract between the GOVERNING BOARD

of the

DAVIESS-MARTIN SPECIAL EDUCATION COOPERATIVE

and the

DAVIESS-MARTIN SPECIAL EDUCATION TEACHERS ASSOCIATION

an affiliate of

NATIONAL EDUCATION ASSOCIATION

and

INDIANA STATE TEACHERS ASSOCIATION

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ARTICLE I. RECOGNITION OF TEACHERS' BARGAINING UNIT

The Board hereby recognizes the Daviess-Martin Special Education Teachers Association as the exclusive representative of the bargaining unit of the Cooperative, which includes all certified personnel employed by the Board under regular or temporary contract, except the Director, the Assistant Director, and Coordinator. Such recognition shall remain in force in accordance with applicable law.

ARTICLE II. DEFINITIONS

As used in this Contract:

"Board" means the Board of Governors of the Daviess-Martin Special Education Cooperative and any person(s) authorized to act for said body in dealing with its employees.

"Cooperative" means the Daviess-Martin Special Education Cooperative of the Counties of Daviess and Martin in the State of Indiana.

"Director" means the chief administrative office of this Cooperative, or any member(s) of the executive board designated by him to act on his behalf in dealing with certified school employees.

"Association" means the Daviess-Martin Special Education Teachers Association which has been recognized as the exclusive representative of said certified school employees, or the person or persons duly authorized to act on behalf of such representative.

*References made to male teachers/director shall also include female teachers/director.

ARTICLE III. SALARIES AND WAGES

1. Compensation Model

   A. Initial Placement

      a. Teachers newly hired for the 2021-2022 school year will be placed on the 2021-2022 salary grid at a salary commensurate with current employees with similar education and experience.
      b. The Director of Special Education shall have the authority to hire a teacher at a salary within the salary range established in the DMSEC Compensation Step Plan attached as Appendix "B" based upon the needs of the school district and availability of qualified teachers for the position.

   B. General Eligibility

      a. A teacher must receive an evaluation rating of Effective or Highly Effective.

b. Any teacher receiving an evaluation rating of Ineffective or Improvement Necessary will not be eligible for any increase to salary, except those who are eligible per IC 20-28-9-l 5(f). Specifically, teachers in their first two full years of instructing students are exempt from the evaluation rating eligibility requirement and are eligible for a salary increase regardless of their evaluation rating the prior school year.

C. Factors and Definitions

a. Evaluation Rating – The teacher received a highly effective or effective evaluation for the prior year, except that a teacher who is in the first two full school years of instructing students who receives an evaluation rating improvement necessary is eligible for a base salary increase.

b. Experience – To be eligible for a base salary increase, the teacher must have been in paid status as defined by the Indiana Public Retirement System by the Board for at least 120 days during the previous school year and must continue to be employed by the Board on September 1 of the current school year.

D. Weights to be Assigned to Factors

a. Evaluation Rating - $750
b. Experience - $250

E. Distribution and Movement

Each step of the 2019-202 Salary Grid will be increased by $1000. A teacher who satisfies the evaluation and experience factors will *remain at his/her current step for the 2020-2021 school year*. A teacher who satisfies the requirements for the evaluation and experience factors who has reached the top of the Salary Grid and who does not receive a base salary increase will be eligible to receive a one-time stipend in an amount equal to the base salary increases received by teachers.

F. Stipends

A teacher who satisfies the requirements for the experience factor will be eligible to receive a one-time stipend of $500. Newly hired teachers for the 2020-2021 school year will be eligible for a sign-on bonus of $500.

G. Redistribution

Any funds otherwise allocated for teachers who received evaluation ratings of ineffective or improvement necessary will be equally distributed as a stipend among teachers who receive an evaluation rating of effective or highly effective for the same evaluation period.

H. Time of Payment

The board will pay the base salary increase and stipends described herein no later than 60 days after all State data that is part of the DMSEC evaluation rubric is received from the State of Indiana and evaluations for the preceding school year have been completed. Base salary increases will be applied retroactively to the start of the 2020-2021 school year.

I. Salary Range

The salary range for returning teachers for the 2020-2021 school year prior to any base salary increase is $38,500 to $68,500.

J. Lack of Funding

If sufficient funding is not available in any future year to fund complete movement on the salary schedule of all teachers who would otherwise meet the requirements to move on the schedule, then the parties will negotiate an alternative compensation arrangement that is compliant with Indiana law and comports with the funding available (if any) at that time.

ARTICLE IV. FRINGE BENEFITS

A. Medical Insurance

1. The board will pay up to one hundred twelve percent (112%) of what the State of Indiana contributes for state employees (premium plus HAS contribution) of the yearly premium on a health insurance policy for certified personnel (single plan). The Board will pay up to one hundred twelve percent (112%) of what the State of Indiana contributes for state employees (premium plus HAS contribution) of the yearly premium on a health insurance policy for certified personnel and their immediate family. No individual teacher shall be covered by more than one medical plan which is paid for by the Cooperative.

2. Any changes to the insurance plan design will be mutually agreed upon by the Board and the Association.

B. Term Life Insurance

The Board agrees to pay the premium for term life insurance in the amount of $70,000 per teacher per year. Subject to the approval, procedures, underwriting requirements, premium rate, and all other requirements of the insurance carrier, a teacher may purchase an additional $60,000 term life insurance through payroll deductions at the sole cost to the participating teacher.

C. Long Term Disability
The Board agrees to pay the entire premium for disability insurance.

D. Dental Insurance

The amount specified below, but not to exceed the actual cost of the premium will be paid by the Board toward the cost of dental insurance for each teacher enrolled in the Cooperative's group dental insurance plan.

Maximum Board Payment Per Teacher

Single – up to $380 per year for a single dental plan

Family – up to $1,040 per year for a family dental plan

E. Vision Insurance Coverage

The Board shall pay up to four hundred dollars ($400) toward a vision care program with no deductible that provides each teacher and his immediate family with a comprehensive eye examination and lenses every year, and a wide selection of quality frames every twenty-four months.

Teachers and their dependents will be entitled to receive a prepaid or paid in full coverage from a participating network of providers. The network of providers must be extensive enough to conveniently serve recipients regardless of their geographic location. The recipients who select a participating provider will be entitled to full coverage for a comprehensive examination and quality glasses. Recipients must have the ability to freely select any provider to receive vision care services.

Teachers who seek a non-participating provider will be reimbursed according to a set schedule of allowances to be determined. Coverage for necessary contact lenses and a cosmetic contact lens allowance should be available both from participating and non-participating providers. The Participating Provider Network should consist of individual doctors practicing in their own office versus a clinic approach. The carrier or specifications shall not be changed without mutual agreement and consent.

F. Insurance – Unpaid Leave

Except as otherwise required by law, payment of teacher insurance premiums during summer vacation period for teachers who have been on unpaid leave during the prior school year will be handles as follows:

1. The teacher pays the premium(s) during any period of unpaid leave if the elects to continue the group coverage.

2. If a teacher is on unpaid leave for only a portion of the school year, then that portion will be used to calculate the share of premiums for the year. (Ex: If a teacher takes 40 workdays of unpaid leave, and the teacher contract length is presumed to be 182 days, then he pays 40/182 or 21.98% of the group insurance premium for the year.)

3. If a teacher is on unpaid leave the entire school year and continues group coverage, then he pays the total (entire) insurance premiums for the whole year, including summer months.

G. Insurance – Disabled Teacher

A teacher who retires from teaching before age 55 due to disability may remain in the Cooperative's medical and/or term life insurance program(s) subject to any requirement established by the carried until the age the teacher is eligible for Medicare provided such teacher pays the total (entire) insurance premium(s) for the whole year, including the summer months.

H. Retiree Insurance

A teacher who retires under the terms of this agreement shall be able to continue to participate in the insurance coverage plan or plans subject to any requirements established by the carrier. The initial retiree premium is due in August for the full cost of the September premium of the plan selected by the retiring teacher. If a retired teacher fails to enroll in the School Corporation's health insurance plan within sixty days of the date he or she retires or if the retired teacher elects to opt out of the School Corporation's health insurance plan at any time during his or her retirement, the retired teacher shall not be able to join the School Corporation's health insurance plan at a later date.

I. Pay Options

Salaries and wage to be paid under this Contract shall be paid in twenty-six (26) pays, unless a teacher notifies the Cooperative office in writing on or before July 1st of the preceding calendar year that such teacher selects twenty-one (21) payments for the following school year. The Cooperative shall provide all teachers with an IRS-compliant written election so they can provide their initial election to the Cooperative Office prior to July 1st. Once a pay method is selected by a teacher, such payments shall continue from year to year unless the teacher notifies the Cooperative Office, in writing, on or before July 1st of the preceding calendar year that the selected pay method provided herein shall be changed for the individual teacher for the following school year. Once selected by the teacher as provided herein, the method of payment shall not be changed during any school year.

Payment shall be made in alternate weeks of each month, provided, however, that the number and dates of pays may be adjusted so that no more than twenty-six (26) pay are made in any calendar year. Any time after January 9th the Association may request, from the Cooperative Treasurer, a schedule of pay days for the calendar year. A teacher who selects the twenty-six (26) pay method may, however, elect on or before July 1st of the preceding calendar year, to receive the balance of the basic salary due at the end of the school year. Such election shall be made in writing to the Cooperative Office. With such notification the balance due shall be paid by the Board no later than the first pay date following June 1st.

ARTICLE V. LEAVES

A. Personal Leave

The Board shall grant each certified teacher four (4) personal leave days per school year with unused days accumulating as sick leave days. Such days may be taken in half (1/2) day units.

B. Sick Leave

The Board shall grant each certified teacher fourteen (14) sick leave days per year and such unused days shall accumulate to a total of one hundred eighty (180) days. Such days may be taken in one-half (1/2) day units and may be used for teacher's personal medical and dental appointments. Up to fifteen (15) such days may be used for illness of the teacher's spouse, child (includes foster children currently living in the home), grandchild, parent, or parent-in-law (includes stepparents).

C. Bereavement Leave

Bereavement leave is defined as that which is taken upon the death of the teacher's wife, husband, mother, father, brother, sister, child, grandparent, grandchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, step-parent, step-child, or other family member domiciled in the same home.

Bereavement leave is granted for five (5) consecutive school days following the death, or for four (4) consecutive school days following the death, with the fifth (5th) day available for subsequent use to attend to the estate or other business arising out of the death.

For the death of a relative no farther removed than first cousin, one (1) day's leave is allowed.

It is agreed by the parties hereto that school vacation days and/or school holidays occurring during the period of the granted funeral leave days shall count as "school days."

D. Pregnancy Leave

1. A teacher who is pregnant shall be granted a leave of absence and may continue in active employment as late into pregnancy as she wishes, if she can fulfill the requirements of her position. All or part of a leave taken by a teacher because of a temporary disability caused by pregnancy may be charged, at her discretion, to her available sick days. However, the teacher is not entitled to take accumulated sick leave days when the teacher's physician certifies that the teacher is capable of performing the teacher's regular teaching duties. The teacher is entitled to complete the remaining leave without pay.

2. During leave the teacher may maintain coverage in any group insurance program by paying the total premium including the Cooperative's share, if any, attributable to the leave period.

3. During leave extending into a part of a school year, a teacher shall accumulate sick leave in accordance with the provisions of the master contract in effect in this Cooperative in the same proportion which the number of days the teacher is paid during such year of work or leave bears to the total number of days which teachers are pain in the Cooperative.

E. Sick Leave Bank

A voluntary sick leave bank shall be established whereby a teacher, as defined in Article I, who is absent from assigned duties due to personal illness and who has utilized all sick leave, personal leave, and all other paid leave benefits of whatever nature may petition a committee, as established herein for sick leave days from the bank under the following conditions:

1. The number of accumulated days in the bank, contributed by members of the bank as a condition for membership in the sick leave bank, shall not exceed one hundred fifty (150) days, provided, however, that:

a. A veteran teacher who is not a current member of the bank may become a member by contributing one (1) sick leave day to the bank no earlier than August 1st nor later than September 15th of any school year, and

b. A teacher who is newly hired in this Cooperative shall have fifteen (15) days from the date of initial duty assignment, or until September 15th of any school year, whichever is later, during which time such teacher may choose to participate in the bank by contributing one (1) sick leave day even though such contribution by such veteran or newly hired teacher would cause an accumulation of days in excess of the maximum specified herein;

2. Said teacher may be granted days from the bank under the following conditions:

a. The teacher must have chosen to become a current member of and participate in such a bank by contributing one (1) sick leave day to the bank not earlier than August 1st or later than September 15th each year, and such day contributed shall be non-returnable to the teacher. However, in the vent that the number of accumulated days in the bank at the beginning of a school year is of sufficient number that a contribution of one (1) sick leave day by all teacher who are current members of the bank would cause the maximum number of days specified herein above in Paragraph One (1) to be exceeded, the current year's contribution by all such current members shall be suspended, except that in case the bank is depleted during the school year, the current year's contribution shall be assessed at the time of depletion. Failure to donate a day, as requested, will result in loss of membership. However, in the event a member has zero (0) sick leave days at the time of an assessment of an additional day of contribution, such member may remain in the bank, but must donate an additional day at the beginning of the next school year.

b. The teacher must have utilized and exhausted all paid leave benefits of whatever nature, including said teachers own accumulated sick leave and personal leave;

c. Written certification will be provided from said teacher's physician substantiating the illness and certifying that the absence will continue during a period of at least ten (10) consecutive days following the utilization and exhaustion of all said paid leave as provided herein;

d. Written application must be made no later than twelve (12) days after exhaustion of said paid leave benefits.

3. A three (3) member sick leave bank committee shall be established to receive written requests and allot days from the bank according to the provisions herein, under guidelines established by the committee. The committee shall be composed of two (2) persons appointed by the Association and (1) person appointed by the Director. Days allotted shall not exceed the fixed maximum established by the committee. An applicant may draw up to thirty (30) days per draw, provided, however, the maximum accumulative draw per teacher per school year shall be ninety (90) days. The committee shall be limited to a total allotment on one hundred fifty (150) days per year. If the 150-day allotment is exhausted, the Sick Leave Bank Committee, on behalf of the individual teacher, may appeal to the Board for an additional allotment of days from the Sick Leave Bank. In a given school year the committee may assess all members of the bank to contribute a sick leave day(s) beyond the one (1) sick leave day necessary to become a member of the bank, but the total number of days in the bank shall not exceed the maximum number of days specified hereinabove in Paragraph One (1).

4. Any days granted by the committee to an individual teacher shall terminate effective the earliest date as hereinafter provided:

a. The day after the last day of the term of employment for the school year, or

b. The day after the last day of allotted number of days granted by the committee, or,

c. The first day of return to employment subsequent to the granting of days by the committee.

5. For purposes of this Sick Leave Bank provision, the word "teacher" shall also include "administrator".

E. Paid Professional Leave

1. A teacher who has a caseload of forty (40) or more students per school year will receive one (1) day per semester of paid professional leave for the purpose of drafting and preparing student IEPs.
2. A teacher who has a caseload of thirty (30) to thirty-nine (39) students per school year will receive one-half day of paid professional leave per semester for the purpose of drafting and preparing student IEPs.
3. A teacher who has a caseload of twenty (20) to twenty-nine (29) students per school year will receive one-half day of paid professional leave per school year for the purpose of drafting and preparing student IEPs.

ARTICLE VI. MATCHING ANNUITY AND VEBA PLAN

A. Section 401(a)/Section 403(b) Matching Annuity Plan

1. All teachers who are hired after June 1, 2004, shall have the option of investing in the Section 403(b) plan up to the maximum allowable under Federal law. The Board will match such teacher contributions on a dollar for dollar basis up to two and four tenths percent (2.4%) of the teacher's base salary and deposit such contributions into a Section 401(a) account maintained by the Board of the teacher.

2. Teachers with less than five (5) years of teaching experience with the Cooperative as of June 1, 2004, an all teachers newly hired or rehired after June 1, 2004, shall only be eligible for the Section 401(a)/Section 403(b) Matching Annuity benefit described in this section.

3. The Board shall deposit teacher contributions into an individual account for each teacher enrolled in the 403(b) program chosen by the Board. Such deposits shall be made on a monthly basis, or as modified from time to time by the annuity carrier.

4. Teachers will have the option of investing their dollars in approved tax deferred annuities, or continuing to invest their dollars in tax deferred annuities for which money is already being deducted from the teacher's salary, if any, and such contributions shall be counted for matching purposes.

5. Teachers will be one hundred percent (100%) vested in the amounts contributed by the Board into the teacher's Section 401(a) account after he or she completes his or her fifth (5^{th}) year of employment with the Daviess-Martin Special Education Cooperative. Teachers employed by the Daviess-Martin Special Education Cooperative on June 1, 2004, will receive credit for their Daviess-Martin Special Education Cooperative years of service on June 1, 2004.

B. VEBA - The Cooperative shall contribute to a voluntary employees' beneficiary association ("VEBA"), as described in section 501(C)(9) of the Internal Revenue Code. Additional terms and conditions for the administration and operations of the VEBA shall be as follows:

1. <u>Separate Accounts</u> – The amount calculated for each employee will be invested in a separate account. There will be no commingling of accounts and each employee may determine how his or her account shall be invested among the investment options made available by the selected investment vendor for the VEBA.
2. <u>Ongoing Contributions</u> – The Board will contribute an amount equal to two and four tenths percent (2.4%) of a teacher's salary for the school year into an individual VEBA account for the teacher. To be fully vested in this ongoing contribution, the teacher must

complete his or her fifth (5th) year of employment with the Daviess-Martin Special Education Cooperative. Teachers employed by the Daviess-Martin Special Education Cooperative on June 1,2004 will receive credit for their Daviess-Martin Special Education Cooperative years of service as of June 1, 2004.

ARTICLE VII. TERMS OF AGREEMENT

This contract is made and entered into at Washington, Indiana on this 3rd day of November, 2020 to become effective July 1, 2020, shall continue in effect through June 30, 2021 by and between the Board of Governors of the Daviess-Martin Special Education Cooperative, and the Daviess-Martin Special Education Teachers Association; it supersedes all previous contracts or agreements, and it constitutes the entire agreement between the two parties.

This contract is attested to by the parties whose signatures appear below:

DAVIESS-MARTIN SPECIAL EDUCATION TEACHERS ASSOCIATION

Marci St. John (Co-President)	Brittany Cox (Co-President)

BOARD OF GOVERNORS DAVIESS-MARTIN SPECIAL EDUCATION COOPERATIVE

Dr. Dan Roach (Board President)	Chad Mchaffey (Board Secretary)

APPENDIX A

RETIREMENT PAY

A. Elimination of Prior Agreement’s Retirement Bridge and Severance Benefit

The Board and Association specifically reserved the authority to revise or terminate the retirement benefits contained in earlier agreements. Exercising this authority, the Board and Association confirm that Article IV, section K (Retirement Incentive), Article XII (Retirement Pay), and Article XIII (Retirement Bride Incentive) found in 2000-2003 collective bargaining agreement ("Prior Agreement") between the Cooperative and the Classroom Teachers Association of the Daviess-Martin Special Education Cooperative ("Association") are terminated and shall not apply to any teacher retiring or severing employment with the Cooperative on or after the effective date of these provisions. Those teachers who retired or severed employment before the effective date of these provisions shall only be entitled to the retirement benefits contained in the collective bargaining agreement in effect at the time he or she retired, but as may otherwise be revised from time to time.

B. Entitlement to Retirement Severance Benefits, Vesting Requirements

Upon retirement from the Daviess-Martin Special Education Cooperative, a teacher shall be fully vested in the retirement benefits described in these Articles if the retiring teacher has satisfied the following requirements:

1. The retiring teacher must have been employed by the Daviess-Martin Special Education Cooperative before June 1, 2004.

2. Immediately prior to retirement, the retiring teacher must have completed not less than twenty (20) years of full-time teaching as certified by the Indiana State Teachers retirement Fund.

3. Immediately prior to retirement, the retiring teacher must have completed not less than twenty (20) years of full-time teaching in the Daviess-Martin Special Education Cooperative.

4. The retiring teacher must be at least fifty-five (55) years old during the school year for while the retiring teacher applies for retirement. However, this requirement may be waived in cases of retirement caused by disability or ill health, provided the retiring teacher provides satisfactory medical documentation to the Cooperative.

5. The Board, after consultation with the Association President, may waive these eligibilities and vesting requirements if the Board determines such waiver is in the best interest of the Cooperative.

6. The retiring teacher must provide written evidence of permanent retirement from teaching.

C. Actuarial Determination of Value of Current Retirement Bridge and Severance Benefits
The Educational Services Cooperation ("ESC") has been selected to determine the present value of the unfunded Retirement Incentive, Retirement Pay, and Retirement Bridge Program benefits described in the Prior Agreement. In making the present value determination, ESC shall use the following assumptions:

1. Interest rate – The assumed short-term interest rate for the first year for purposes determining present value is 4% and the assumed long-term interest rate for purposes of determining the present value is 7.08%.

2. Retirement Rate – It is assumed that an employee terminates employment at the end of the school year in which the employee attains age 58 or at the end of the current year, if the individual is already 58 or older.

3. Retirement Pay – The anticipated amount of the Retirement Pay shall be calculated using the 2002-03 dollar amounts and the formula set forth in Article XII of the Prior Agreement. The calculations further assume that each teacher carries nine (9) sick days forward per year until such time as he or she reaches the contractual maximum of two hundred seventy (270) days. However, it is assumed that individuals do not retire until the later of:

    a. The attainment of age 58; or
    b. Satisfaction of the eligibility requirements of Section B of this new Article.

4. Retirement Bridge Pay – The anticipated amount of the Retirement Bridge Pay shall be calculated using the 2002-03 dollar amount set forth in the provision of Article XIII of the Prior Agreement. However, it is assumed that individuals do not retire until later of:

    a. The attainment of age 58; or
    b. Satisfaction of the eligibility requirements of Section B of this new Article.

5. Health Insurance – For purposes of calculation the value of the retirement health insurance benefit found in Article IV, Section K of the Prior Agreement, the parties agreed to use an assumed annual post-retirement group health insurance cost of six thousand five hundred ($6,500) dollars for the single premium with an assumed annual inflation rate of 0%. However, it is assumed that individuals do not retire until the later of:
    a. The attainment of age 58; or
    b. Satisfaction of the eligibility requirements of Section B of this new Article.

6. FICA – The present value of the future Retirement Pay and Retirement Bridge Pay will be reduced by the Social Security and Medicare Taxes (FICA) that would have been payable by the retiring teacher if the Severance Benefits and Retirement Bridge has been directly paid to the teacher.

7. Exclusion of Employees – Teachers with less than five (5) years of teaching experience with the Cooperative as of June 30, 2004, shall not be entitled to any payment for the eliminated retirement benefits provided by Article IV, Section K, and Articles XII and XIII of the Prior Agreement. In other words, no contributions shall be made for teachers with less than five (5) years of teaching experience with the Cooperative as of June 1, 2004, or teachers newly hired or rehired after June 1, 2004.

8. Rehired Employees – Amounts forfeited upon termination of employment because of the failure to meet the applicable vesting requirements shall not be reinstated or reaccredited if an individual is subsequently rehired or re-employed by the Cooperative. However, if the Board shall have approved a leave of absence of not more than one (1) fiscal year for an employee, such period of leave shall not result in forfeit provided the employee shall promptly return to employment following the expiration of the period of leave.

9. Calculation Date – The present value of the Retirement Severance Pay benefits and early Retirement Plan benefits under the Prior Agreement shall be calculated effective as of June 30, 2004.

   The parties agree that the retirement buyout amounts referenced in the Memorandum of Understanding maintained by the designated representatives of each of the parties represent the amounts generated by the ESC for each eligible individual teacher using the assumptions mutually agreed to by the parties and set forth the Section C above constitute a full and complete satisfaction of the Cooperative's retirement severance obligations to teachers under Article IV, Section K, and Articles XII and XIII of the Prior Agreement.

D. 401(a) Plan for Retirement Buyout Dollars
The Cooperative shall establish qualified retirement plans as described in section 401(a) of the Code (the "401(a) Plan"). The total sum of the amount calculated by ESC as the present value for the Retirement Pay and Severance Benefits shall then be contributed by the Cooperative to the 401(a) Plan.

1. Separate Accounts – The amount calculated for each employee will be invested in a separate account. There will be no commingling of accounts and each employee may determine how his or her account shall be invested among the investment options made available by the selected investment vendor for the 401(a) Plan.

2. Election of Benefits – Teachers who retire at the end of the 2003-2004 or 2004-2005 school years may elect to have the benefits provided by the Prior Agreement or the individual buyout amounts reflected in the Memorandum of Agreement attached hereto and incorporated herein by reference. Teachers who plan to retire at the end of the

2003-04 school year must notify the Director in writing of the election by June 1, 2004. Teachers who do not provide such written notice by June 1, 2004, shall receive the retirement benefits provided by the Prior Agreement. Teachers who plan to retire at the end of the 2004-05 school year must notify the Director writing of their decision by January 31, 2005, shall not be eligible to receive the retirement benefits provided by the Prior Agreement, and instead, shall receive the retirement benefits provided in this Article.

3. Vesting – Until such time that an employee has retired and satisfied the eligibility requirements set forth in this Article, the employee shall have no access to the assets held in his or her separate 401(a) Plan account.

4. Forfeiture – If an employee retires or otherwise terminated employment before satisfaction of the requirements set forth in Section B of this Article IX, for any reason, the terminated employee's 401(a) Plan account shall be forfeited. The forfeited amounts shall be redistributed among the remaining active participants on a pro-rated basis based upon each teacher's share of the initial buyout dollars.

5. Distributions – Following retirement and the satisfaction of the requirements set forth in Section B of this Article, a retired teacher may elect to commence distributions from his 401(a) Plan account. If an employee shall die after having satisfied the requirements of Section B of this Article, the deceased employee's 401(a) Plan account shall be distributable to the decedent's designated beneficiary or to his/her estate if no beneficiary designation has been made. (At no time may a participant borrow from his 401(a) Plan account.)

6. Costs – The Cooperative shall not be paid any compensation for its services performed on behalf of the 401(a) Plan. All costs incurred in the administration of the 401(a) Plan and investment fees shall be paid from the 401(a) Plan assets.

7. Additional Plans – The Cooperative may establish other qualified plans as described in section 401(a) of the Code, subject to such terms and conditions as the Cooperative shall determine, in its sole discretion, to be appropriate. Such additional plans may be maintained separate from the 401(a) Plan or for administrative convenience maintained as part of the 401(a) Plan.

E. VEBA

1. The Cooperative shall contribute to a voluntary employee's beneficiary association ("VEBA"), as described in section 501©(9) of the Internal Revenue Code, that amount representing the present value of the group health insurance benefits, as calculated for all employees using the assumptions to which the parties mutually agreed set forth in the Section C and reflected in Appendix C to the Memorandum of Agreement attached

hereto and incorporated herein. Additional terms and conditions for the administration and operations of the VEBA shall be as follows:

2. Separate Accounts – The amount calculated for each employee will be invested in a separate account. There will be no commingling of account and each employee may determine how his or her account shall be invested among the investment options made available by the selected investment vendor for the VEBA.

3. Vesting – Until such time that an employee has retired and satisfied the eligibility requirements set forth in Section B of this Article, the employee shall have no access to the assets held in his or her separate VEBA account.

4. Forfeiture – If an employee retires or otherwise terminates employment before satisfaction of the requirements set forth in Section B of this Article for any reason, the terminated employee's VEBA account shall be forfeited. Forfeited amounts shall be reallocated at the end of each plan year only among the then remaining separate VEBA accounts in a manner similar to that used in initially determining the present value calculations. Therefore, the VEBA accounts of the following employees will not share in the reallocation of a forfeiture of a VEBA account.

    a. Employees who have forfeited their VEBA accounts in the same year;
    b. Employees who previously forfeited their VEBA accounts; and
    c. Employees who have attained age 58 and terminated employment in or before the year of the reallocated forfeiture.

    Furthermore, VEBA accounts of employees who have attained age 58, but not terminated employment may share in the reallocated forfeiture, but on a reduced basis.

5. Distributions – Following retirement and the satisfaction of the requirements set forth in Section B of this Article, a retired employee may use the amounts held in his/her separate VEBA account to pay health insurance premiums, term life insurance premiums, and unreimbursed medical expenses of the employee, spouse, and dependents. Furthermore, following the death of the employee who had otherwise satisfied the requirements of Section B of this Article, any amounts remaining in the deceased employee's VEBA account may continue to be used to pay these premiums and expenses of the employee's spouse and dependents. Any amounts not distributed to the employee's spouse or dependent(s) shall revert to the VEBA plan and be redistributed among the remaining VEBA accounts pursuant to the provisions of this contract. (At no time may the VEBA make loans to an employee, his/her spouse, or dependent.)

6. Costs – The Cooperative shall not be paid any compensation for its services performed on behalf of the VEBA. All costs incurred in the administration of the VEBA and investment fees shall be paid from the VEBA assets.

APPENDIX "B"
2020-2021 COMPENSATION GRID

Row	2019-2020 Base Salary	2020-2021 Base Salary
A	$38,500	$39,500
B	$40,000	$41,000
C	$41,500	$42,500
D	$43,000	$44,000
E	$44,500	$45,500
F	$46,000	$47,000
G	$47,500	$48,500
H	$49,000	$50,000
I	$50,500	$51,500
J	$52,000	$53,000
K	$53,500	$54,500
L	$55,000	$56,000
M	$56,500	$57,500
N	$58,000	$59,000
O	$59,500	$60,500
P	$61,000	$62,000
Q	$62,500	$63,500
R	$64,000	$65,000
S	$65,500	$66,500
T	$67,000	$68,000
U	$68,500	$69,500