

CONTRACT FOR:

July 1, 2019 – June 30, 2020 (Salary and Insurance)  
July 1, 2019-June 30, 2021 (ECA's, Extra Duties, and Non-Insurance Benefits)

BETWEEN

THE BOARD OF SCHOOL TRUSTEES  
OF THE SOUTHWEST SCHOOL CORPORATION

AND

THE SOUTHWEST SULLIVAN EDUCATION ASSOCIATION

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THIS CONTRACT is ratified this 24<sup>th</sup> day of October, 2019 by and between the Board of School Trustees of the Southwest School Corporation, and the Southwest Sullivan Education Association, an affiliate of the Indiana State Teachers Association and the National Education Association.

## ARTICLE I DEFINITIONS

The term "teacher" when used in this Agreement shall refer to all members of the bargaining unit. Furthermore, the term "teacher" when used in this Agreement shall refer to all certificated employees as defined under Ind. Code § 20-29-2-4 who are working under a regular teacher contract with the School Corporation.

The term "Board" or "School Corporation" when used in this Agreement shall refer to the Board of School Trustees of the Southwest School Corporation of Sullivan County, Indiana and any person(s) authorized to act on its behalf in dealing with its teachers.

The term "Association" when used in this Agreement shall refer to the Southwest Sullivan Education Association, and any person(s) authorized to act on its behalf.

The term "Parties" when used in this agreement shall refer to the Board and Association.

The term "days" when used in this Agreement shall refer to teacher work days except during school breaks in which case "days" shall mean work days (Monday through Friday).

References of gender in this Agreement, whether male or female, shall include all individuals regardless of gender, unless the specific context indicates otherwise.

## ARTICLE II RECOGNITION

The Southwest School Corporation of Sullivan County, Indiana, hereby recognizes the Southwest Sullivan Education Association as the exclusive representative pursuant to Indiana Law. The bargaining unit consists of teachers except teachers in the following classifications:

Superintendent, Assistant Superintendent, High School Principal, Assistant High School Principal, Junior High Principal, Elementary and Junior High Principal, Elementary Principal, Assistant Elementary Principal, Transportation Director, Technology Director, Title 1 Director, Substitute Teachers and new administrative positions falling within the definitions of supervisor as set out in Indiana Code.

Informational Purposes Only: The Athletic Director has the authority to perform coaching evaluations of all coaching staff regardless whether an individual is a certificated employee.

As the recognized exclusive representative, the Association has a legal obligation to represent all teachers in the unit.

ARTICLE III  
TERMS AND CONDITIONS

This Agreement sets forth the full and complete understandings of the parties hereto and cancels and supersedes any and all bargaining agreements heretofore entered into by and between the parties and cancels and supersedes any Board past practice, written or oral.

ARTICLE IV  
ASSOCIATION RIGHTS

Section 1. The School Corporation agrees to deduct dues for the Association from the salaries of teachers in the bargaining unit, who are members of the Association, upon receipt of written authorization from each teacher and such deduction shall remain in effect until revoked in writing by the teacher, on or before August 15. The Association shall submit a list of members and the total amount of dues to be deducted for each member on or before September 15. Any teachers who would qualify under Section 1 but are employed after August 15, will have five days following their employment by the Board to authorize payroll deductions. Deductions shall be made in eighteen (18) equal amounts annually unless there are fewer than eighteen (18) deductions remaining in the year in which case the amount due shall be divided equally and deducted beginning with the first paycheck received through June 30. Upon termination of a contract, the School Corporation shall deduct all unpaid Association dues from the remaining paychecks if sufficient salary remains in an amount to pay these dues. Money deducted shall be remitted to the Association treasurer each month by ACH, EFT, or U.S. mail to the treasurer's home address.

ARTICLE V  
LEAVES OF ABSENCE

Section 1. Illness Leave

A. Each teacher shall receive twenty (20) illness leave days per year for personal illness or the illness of a member of the immediate family for the 2019-20 school year. Beginning with the 2020-21 school year each teacher shall receive fourteen (14) illness leave days per year for personal illness or the illness of a member of the immediate family and other family as defined in Article V Letter B.

B. During the 2019-20 school year, for the purpose of this section, immediate family is defined to include a teacher's spouse, child, parents, grandparents, grandchildren, and each similar relationship established by marriage, or any legal dependents living with the teacher. Each teacher who has less than one hundred twenty (120) paid days per year shall receive a pro-rated number of illness leave days based upon the fractional part of his/her own paid work days during that year. Illness leave days shall accumulate up to a maximum of two hundred seventy (270) days.

Beginning with the 2020-2021 school year, Redefine immediate family to spouse and dependent children for Illness Leave only. Limit of 60 days annually for other family defined as non-dependent children, parent, brother, sister, grandparent, grandchild, and each similar relationship established by marriage or living in the same household as a legal dependent, ward, or foster child.

Each teacher who has less than one hundred twenty (120) paid days per year shall receive a pro-rated number of illness leave days based upon the fractional part of his/her own paid work days during that year. Illness leave days shall accumulate up to a maximum cap of one hundred seventy (170) days, grandfathering those at 170 on ratification day (October 24, 2019) to accumulate to a cap of two hundred seventy (270) days.

C. Sick leave earned in another corporation may be transferred into this illness leave accumulation at the rate of five (5) illness leave days per year for the first five (5) years of service in the School Corporation and the remaining balance of illness leave days in the sixth year.

## Section 2. Personal Business Leave

Each teacher will receive four (4) days personal business leave per year. Each teacher who has less than one hundred twenty (120) paid days per year shall receive a pro-rated number of personal leave days based upon the fractional part of his/her paid work days during that year. Unused personal business leave will be accumulated as illness leave for use during the following school year. These personal days can be used anytime during the school year.

## Section 3. Illness Leave Bank

This bank is a source of additional illness leave days when a member of the bank has used all of his own illness leave days.

To voluntarily join this bank, a bargaining unit member must contribute one (1) illness leave day to the bank during the first fifteen (15) work days of the school year, by giving notice to the Association President. Bargaining unit members then remain a member of this bank until they resign, retire, or otherwise leave School Corporation employment as a bargaining unit member, provided that each bank member makes an additional bank contribution if and when the total bank accumulation drops below twenty (20) days. Bargaining unit members may join the illness leave bank only during the first fifteen (15) work days of each school year. New teachers employed after the beginning of the school year have fifteen (15) days from date of employment to join the illness leave bank.

The governing board of the illness leave bank shall consist of two (2) illness bank members appointed by the Association President, the Association President who will serve as chairperson of the illness leave bank board, and the Superintendent.

If a member of the illness leave bank has a personal or family illness or injury, and will need more illness leave days than they have accumulated, the bank member or legal/designated representative on the bank member's behalf may request days from the illness leave bank by sending a letter and appropriate documentation to the Association President. The governing board will meet after receipt of the letter, and will notify the bank member of the decision of the governing board.

No illness leave bank days can be used by a member once the eligibility criteria and elimination period for long-term disability insurance benefits has been satisfied.

Once any illness leave bank contribution is made by a teacher and that day is deducted from the teacher's illness leave accumulation, the contribution is forfeited and shall never be returned to the teacher's own leave accumulation.

On or before September 15 of each school year, the Association President will reconcile with the Superintendent an accounting of the illness leave bank, including the total number of days in the bank.

#### Section 4. Bereavement Leave

In case of death in the immediate family at a time when school is in session, the teacher shall be allowed bereavement leave with the teacher's contracted pay for up to seven (7) work days within fourteen (14) calendar days following the date of such death, funeral, or burial. Should the teacher not use all of the seven (7) days at the time of the bereavement, two (2) days remaining of the seven (7) days shall be available to during the twelve (12) months following the death for a teacher who is designated to administer estate matters. The immediate family is defined to include the teacher's: husband, wife, child, parents, grandchildren, and each similar relationship established by marriage, and any legal dependents living with the teacher.

In case of death of other family members, a teacher shall be allowed bereavement leave with the teacher's contracted pay for up to three (3) school days.

A teacher shall be allowed one (1) day of bereavement leave for the purpose of attending the funeral of a friend.

#### Section 5. Professional Leave

A teacher may be allowed paid professional leave days with the approval of his/her principal and the Superintendent of Schools.

#### Section 6. Personal Injury Leave

Absence due to injury incurred in the course of the teacher's employment shall be charged, at the teacher's option, against the teacher's illness leave days at a ratio of one-third (1/3) day for each full day absent. The Board shall pay to such teacher the difference between the teacher's salary and benefits received under the Indiana Workers' Compensation Act for the duration of such absence. The teacher has to request that the illness leave days be used in order to receive the School Corporation's one-third (1/3) payment in salary. Once the teacher's illness leave days are exhausted, no further payment will be received from the School Corporation.

#### Section 7. Association Leave

A. The Association president and/or his designee(s) shall be entitled to a maximum of twenty (20) days each year for Association business without loss of compensation. No one teacher shall be entitled to use more than ten (10) of these twenty (20) days. No more than three (3) Association members will be allowed leave per building per day for Association business.

## Section 8. Jury or Court Leave

Teachers are encouraged to accept his/her duty as a citizen if called for jury duty. It has been ruled that a School Corporation shall pay only the difference between what the teacher receives for jury duty and their regular pay. Therefore, it is the responsibility of the teacher called up to serve a court to report and assign to the School Corporation any amount earned for such service. Teachers shall assign and transfer any jury or court duty earnings to the School Corporation and will then be entitled to receive their regular teaching pay and retirement credit. Teachers required to appear in court relative to a matter relating to their position as a School Corporation employee and/or as related to their assigned duties, will be granted court leave when a subpoena has been issued.

## Section 9. Adoption and Maternity Leave

A. A teacher who is pregnant shall be entitled to an unpaid (unless combined with paid leave as described in C. of this Section) leave of absence anytime between the commencement of her pregnancy leave and one (1) year following the birth of a child. Said teacher shall notify the Superintendent in writing of the intention to take such leave sixty (60), but not later than thirty (30) days prior to the date on which leave is to begin. She shall also include in her request for leave, a statement as to the expected length of leave and either a physician's statement certifying her pregnancy or a copy of the birth certificate of the newborn, whichever is first available. In case of a medical emergency caused by pregnancy, the teacher shall be granted a leave, as otherwise provided by law, immediately upon her request and certification of the emergency from her attending physician. To insure continuity of the educational process, teachers shall commence leave at the beginning of a semester or a grading period, or at a time mutually agreed upon with the principal, except in cases of a medical emergency. Likewise teachers shall return from leave at either the beginning of a semester or grading period, or at a time mutually agreed upon with the principal.

B. Adoption leaves without pay or use of illness leave up to one (1) year in length may be granted upon request by any eligible teacher. If possible, at least thirty (30) days notification will be given the Superintendent prior to the date on which leave is to begin.

C. Any teacher taking leave of absence under these plans may use any remaining days of illness leave which the teacher has accumulated under the School Corporation's illness leave policy, but shall be required, at the option of the School Corporation to present a doctor's confirmation of disability and inability to work to justify such use of accumulated illness leave days. Such use of illness leave shall be limited to personal disability directly related to the pregnancy or to the specific cause of taking disability leave.

## Section 10. Leave of Absence

A teacher shall be allowed to take a leave of absence for a designated time of either one (1) semester or one (1) year without pay. Such leave shall be granted upon proper notice of at least sixty (60) days. Reasons for such leave shall include, but not be limited to illness, travel, and education. This leave cannot be used for other employment opportunities. Notification of intent to return must be received by the Superintendent by February 1<sup>st</sup> of the school year in which the leave is taken.

### Section 11. Family Medical Leave Act

The Board will comply with the Family Medical Leave Act as mandated by the federal law.

### Section 12. Exemplary Teacher Attendance Incentive Stipend

A teacher who incurs no more than 5 absences of sick and personal leave during the 180 school days of a given school year is entitled to a \$400 stipend each school year for which a teacher qualifies.

## ARTICLE VI COMPENSATION AND EXPENSES

Section 1. The salaries for teachers and rules governing placement of teachers on the given schedules are set forth in Appendices "A" through "C." For the 2019-2020 school year of this contract term, eligible teachers will receive up to \$4,000 in base salary increase (\$500 per unit) under the Compensation Model in Appendix B. The 2019-2020 salary increase will be paid out over the remaining pays of the 2019-2020 contract year. The SSEA and SWSC Board of Trustees agree to reopen the contract during 20-21 bargaining to discuss salary and health insurance.

The funding sources for the salary increases for the 2019-20 school year include the following: Retirement Savings, TRF Reduction, Increased Funding provided by State based on enrollment.

Any available funds as a result of teachers receiving a rating of Ineffective or Improvement Necessary shall be equally redistributed to those teachers receiving a rating of Effective or Highly Effective as a one-time stipend. This will constitute as the redistribution provision.

### Section 2. Indiana State Teachers Retirement Fund

The Board agrees to contribute the mandatory 3% contribution to the Indiana State Teachers Retirement Fund on behalf of the teacher. This contribution will be on all gross wages earned by that teacher.

## ARTICLE VII FRINGE BENEFITS

Section 1. The Board and Association agree to bargain changes to health insurance benefits, the policy or benefit provisions, and the premium contributions for the group health insurance, the dental insurance, the group term life insurance, the vision insurance, the long-term disability insurance, and benefits offered under the current Section 125 plan. The policy or benefit provisions and the premium contributions for the group health insurance, the dental insurance, the group term life insurance, the vision insurance, the long-term disability insurance and the Section 125 plan shall not be changed without the mutual agreement of the School Corporation insurance committee.



## Section 2. - Group Health Insurance

The current health insurance plan is provided by the Wabash Valley West Central Indiana School Trust ("Wabash Valley"). The School District will offer the current plans provided by Wabash Valley.

For 2019-2020, the annual Board contributions toward the premiums for each option are as follows, unless a mid-year insurance increase occurs (beyond the 2% increase currently known to the parties). If an additional/mid-year premium increase occurs, the Board shall pay 100% of such additional/mid-year premium increase.

Plan 6 or 7 Single Premium Contribution-\$6,600

Plan 6 Family Premium Contribution-\$14,800

Plan 7 Family Premium Contribution-\$13,200

The Bargaining Unit Members shall pay 100% of any insurance premium increases for 2019-2020. This shall be for a 2% increase. Any additional increases during 2019-2020 shall be paid by the Board. 2020-21 contract will be reopened to discuss insurance.

The Board will also contribute the following to a Health Savings Account (HSA) on an annual basis if any of the High Deductible Health Plans (HDHP) are selected by the teacher:

### Full Contributions to be deposited January, 17, 2020

HDHP HSA Plan 6 Single Contribution- \$500

HDHP HSA Plan 6 Family Contribution- \$1,000

HDHP HSA Plan 7 Single Contribution- \$500

HDHP HSA Plan 7 Family Contribution- \$1,000

These contributions will be on a calendar year basis. Individuals no longer employed by the School Corporation at the time an HSA contribution is made will not be entitled to the contribution. These contributions will be placed in HSA accounts administered by a mutually agreed upon vendor.

Board contributions for each teacher will only be paid for School Corporation-sponsored group health insurance and will never exceed the total premium for a teacher, less \$1.

The Board and Association acknowledge that all Trust guidelines will be accepted and all provisions outlined in the agreement with Wabash Valley will be followed.

The parties agree that should the Board's contributions create a violation of Ind. Code § 20-26-17, the contributions will be adjusted to comply with the statutory caps imposed by this law.

School Corporation has amended the eligibility provisions of the health plan with regard to coverage for spouses who are employed outside the School Corporation (herein "working spouse(s)").

Working spouses of teachers are not eligible for coverage under the School Corporation's health plan unless the working spouse provides one of the following in writing: verification of his/her lack of eligibility to participate in his/her employer's health plan; verification that the spouse's employer does not offer a health plan; or verification that the working spouse is not able to participate in his/her employer's health plan.

If coverage terminates for a working spouse currently enrolled in the School Corporation health plan, said termination will be considered a "change in status" under HIPAA (i.e., involuntary loss of group health coverage) and the working spouse can apply to enroll under the special enrollment provisions of his/her employer's health plan.

A working spouse whose coverage terminates under his/her employer's health plan, may be eligible to enroll as a dependent under the School Corporation's health plan. He/she must request enrollment within 30 days of the effective date he/she is no longer covered under his/her employer's health plan and provide written verification of the other coverage terminating.

Termination of Board premium payments for the coverage under the health plan will end one month after the last month of employment for teachers who resign, are dismissed, or retire before the end of the school year. They may apply to continue coverage under the COBRA provisions. Teachers granted an approved leave of absence may apply to continue participating in the health plan by paying the total monthly premium during the leave of absence.

### Section 3. Dental Insurance

The School Corporation will offer a dental plan for eligible teachers and his/her immediate family. The School Corporation's maximum contribution per teacher will be the teacher's single premium, or ninety-eight percent (98%) of the teacher's family premium. The plan shall offer to pay 100% of all diagnostic, preventive and emergency palliative expenses, and eighty percent (80%) of all other Class I expenses. The plan shall offer to pay fifty percent (50%) of Class II, prosthetics expenses. The maximum benefit is seven hundred fifty dollars (\$750.00) per insured per year on Class I and Class II benefits. Class III expenses (orthodontia) shall be paid at fifty percent (50%) with a one thousand dollar (\$1000.00) lifetime maximum per eligible insured person who is younger than age 19. There shall be no annual deductible.

Termination of Board premium payments for the coverage under the dental plan will end one month for teachers who resign, are dismissed, or retire. They may apply to continue coverage if offered under the insurance contract. Teachers granted an approved unpaid leave of absence may continue participating in the dental plan by paying the total monthly premium during the leave of absence. The maximum School Corporation contribution per eligible teacher will be:

1. Teacher - Single Coverage – 100% of premium minus \$1.00 per year.
2. Teacher - Family Coverage – 98% of premium per year.
3. Two (2) Teachers - Family Coverage – 100% of premium minus \$1.00 per year.

#### Section 4. Vision Insurance

Each teacher and his/her immediate family shall offered coverage under a vision care insurance plan paid for by the Board that offers reimbursement for eye examinations and lenses every year, and frames every twenty-four months. The vision care insurance plan will offer eligible insureds one (1) comprehensive, routine vision examination every twelve (12) months, and a wide selection of quality frames every twenty-four (24) months.

Teachers and their dependents will be entitled to receive 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, routine examination and quality glasses. (1) Recipients must have the ability to freely select any provider to receive vision care services. Consequently, those who seek a non-participating provider will be reimbursed according to out of network reimbursement rates. Coverage for necessary contact lenses should be available both from participating and non-participating providers. (2) The Participating Provider Network should when possible consist of individual doctors practicing in their own offices versus a clinic approach. There shall be no annual deductible. The carrier or reimbursement rates shall not be changed without mutual agreement.

#### Section 5. Group Life Insurance

The School Corporation shall offer eighty-five thousand dollars (\$85,000) group term life insurance and pay 100% of premium minus \$1.00 annually per teacher and also offer teachers an opportunity to apply for supplemental coverage of up to seventy thousand dollars (\$70,000) to be paid by the teacher at a comparable rate per \$1,000.00. However, if the supplemental rate is higher than the employer paid insurance rate, the School Corporation will contribute the difference in premium cost.

Teachers who opted not to take the original seventy thousand dollar (\$70,000) supplement insurance prior to August 1, 2001, shall be entitled to receive an amount equivalent to the premiums of the supplemental coverage and applied to universal life coverage offered by a mutually agreed carrier. The teachers are listed in Appendix I.

#### Section 6. Long Term Disability

The School Corporation will offer long-term disability insurance coverage for each teacher. The plan benefits shall be those shown in Schedule I with a ninety (90) day elimination period.

#### Section 7. Flexible Benefit Plan – Section 125

The School Corporation will make available to eligible teachers a Generation I and II flexible benefit plan under Internal Revenue Code Section 125 using the current insurance company as the administrator.

## Section 8. Open Enrollment

New teachers shall have thirty (30) days from the first day of school to enroll in benefit plans. Current teachers may choose to change coverage or participation in insurance options (subject to the individual carriers) within the first thirty (30) days of school, or after a qualifying event. Failure to enroll within this time period will result in the teacher potentially having to complete a medical application and undergo underwriting prior to coverage beginning. Participation is dependent based upon acceptance or denial by the individual insurance carriers.

## Section 9. Retirement Plans

The Board shall continue a matching retirement benefit program and make it available for eligible teachers. The implementation of such program shall take place through the current 401(A) plan and as permitted under the Internal Revenue Code. Such employer contributions under the 401(a) plan will match contributions made by a teacher into the 403(B) plan up to one thousand four hundred forty dollars (\$1,440) annually. A committee of trustees made up of four (4) teachers and two (2) administrators will make recommendations on how to manage the plans and rules and regulations for its operation. Teachers shall be fully vested upon contributing to each plan, and the balance in the teacher's accounts become the property of the teacher and are not subject to forfeiture.

## Section 10 Ongoing 401(a) Plan and 403(b) Plan

The Board continue to maintain a qualified Section 401(a) Plan ("401(a) Plan") and Section 403(b) Plan ("403(b) Plan") for eligible teachers. The 403(b) Plan shall include provisions for pre-tax salary reduction contributions by the teacher. The Board shall contribute on behalf of each teacher one and one-half percent (1.5%) of the teacher's annual base salary.

The Board shall deposit employer contributions for each teacher into the 401(a) Plan administered by a mutually agreed upon vendor selected by the Board.

There will be two (2) vesting schedules under the 401(a) plan. Employer contributions to the 401(a) plan are immediately vested. The other vesting schedule relates to the days and years retirement buyout money described in the Appendix D and vests at age 50 pursuant to the terms in the plan documents.

Eligible teachers will have the option of continuing to invest their dollars in the 403(b) plan. Such contributions shall be counted by the Board for purposes of determining that teacher's required matching contribution.

## Section 11 Ongoing VEBA Contributions

The Board will contribute an amount equal to one and one-half percent (1.5%) of a teacher's annual base salary into a VEBA plan for the teacher's benefit. The teacher shall be immediately vested on those contributions.

## Section 12 Background Checks

The Board shall pay the cost of expanded criminal history checks and expanded child protection index checks that are required by the Corporation or per IC 20-26-5-10 for current employees.

## Section 13 – Short-Term Disability

The Board shall pay 100% of the cost for a short-term disability policy beginning with the 2020-21 school year. The short-term disability policy must be approved by the SSEA insurance committee.

# ARTICLE VIII RETIREMENT BENEFITS

## Section 1 – Retirement Section 401(a) Plan

The School Corporation has established and shall continue to maintain the current 401(a) Plan for eligible teachers. The 401(a) Plan's terms and conditions for the administration of this plan shall include the following provisions:

**Separate Accounts:** The amount contributed for each teacher will be invested in a separate account. There will be no co-mingling of teacher accounts and each teacher may determine how his or her funds shall be invested among the investment options made available by the selected investment vendor for the 401(a) Plan.

**Vesting.** Until such time that a teacher has retired and satisfied the eligibility requirements listed below, the teacher shall have no right to distributions from the 401(a) Plan.

- (i) A teacher must be at least fifty (50) years of age and must have served at least ten (10) years with the School Corporation.
- (ii) On or before April 15th of the teacher's final teaching year, written notification must be given to the Superintendent of the individual's intention to retire. The Superintendent may waive this notification rule.
- (iii) A teacher shall also be fully vested if the teacher has been approved to receive benefits under the long term disability insurance plan.

**Forfeiture:** If a teacher retires or otherwise terminates employment before satisfaction of the vesting requirements set forth in the plan, the teacher's balance shall be forfeited. To the extent allowed by IRS regulations, any funds forfeited by a teacher as a result of the teacher separating from employment, will be placed in the plan's forfeiture suspense account, used to pay for the plan's administrative expenses, and/or offset future contributions.

**Distributions:** Following retirement and the satisfaction of the vesting requirements set forth in the plan documents a retired teacher may elect to commence distributions from the 401(a) Plan.

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

Additional Plans: The School Corporation may establish other qualified plans as described in the Code, subject to such terms and conditions as the School Corporation shall determine, in its sole discretion, to be appropriate.

## Section 2 – Retirement Buyout VEBA Accounts

The School Corporation has established a voluntary employees' beneficiary association ("VEBA") plan, as described in Section 501(c)(9) of the Internal Revenue Code, and reflects that amount representing the present value of the group health insurance benefits, as calculated for all teachers using the retirement buyout assumptions outlined in Appendix E. Additional terms and conditions for the administration and operations of the VEBA shall include the following:

Separate Accounts. The amount contributed for each teacher will be invested in an account pursuant to the Code. There will be no comingling of funds and each teacher may determine how his or her account balance shall be invested among the investment options made available by the selected investment vendor for the VEBA.

Vesting. Until such time that a teacher has retired and satisfied the eligibility requirements listed in the plan documents, the teacher shall not be entitled to distributions or have access to the assets held in the VEBA plan.

- (i) A teacher must be at least fifty (50) years of age and must have served at least ten (10) years with the School Corporation.
- (ii) On or before April 15 of the teacher's final teaching year, written notification must be given to the Superintendent of the individual's intention to retire. The Superintendent may waive this notification rule.
- (iii) A teacher shall also be fully vested if the teacher has been approved to receive the benefit under the long term disability insurance plan.

Forfeiture. If a teacher retires or otherwise terminates employment before-satisfaction of the requirements set forth in the plan documents, the terminated teacher's VEBA balance shall be forfeited. To the extent allowed by IRS regulations, any funds forfeited by a teacher as a result of the teacher separating from employment, will be placed in the plan's forfeiture suspense account, used to pay for the plan's administrative expenses, and/or offset future contributions. Only those teachers who were employed as of June 30, 2001 are eligible to receive an allocation of forfeited amounts. However, the following teachers will not share in the reallocation of forfeited amounts:

- (i) Teachers who have forfeited their VEBA balance in the same year;
- (ii) Teachers who previously forfeited their VEBA balance; and
- (iii) Teachers who have attained age 55 and terminated employment in or before the year of the reallocated forfeiture.

Furthermore, teachers who have attained age 58, but not terminated employment may share in the reallocation of forfeited amounts, but on a reduced basis.

Distributions. Following retirement and the satisfaction of the requirements set forth in the plan documents, a retired teacher may apply to receive distributions from the VEBA plan to pay health insurance premiums, term life insurance premiums, and unreimbursed medical expenses of the teacher, spouse, and dependents. Furthermore, following the death of the teacher who had otherwise satisfied the vesting requirements, any amounts remaining in the deceased teacher's VEBA balance may continue to be used to pay these premiums and expenses of the teacher's spouse and dependents. At no time may the VEBA allow or permit loans to a teacher, his/her spouse, or dependents.

Costs. The School Corporation 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.

## Section 2. Health, Life, Dental, and Vision Insurances in Retirement

A. Teachers retiring after the age of fifty (50), with at least ten (10) years of School Corporation service, shall have access to group health insurance until the age when eligible for Medicare, provided there is no gaps in coverage. The premium (single or family) shall be paid 100% by the employee. Spouses of retirees may also remain on the plan until the age when eligible for Medicare. However, once a retired teacher or spouse declines coverage, he/she may not reenroll or be reinstated at a future date.

B. Teachers retiring after age fifty (50) with at least ten (10) years of School Corporation experience shall have access to the group term life insurance up to the age when eligible for Medicare. The premium shall be paid 100% by these teachers. Once a retiree's life coverage terminates, he/she may not apply to reinstate coverage at a future date.

C. Teachers retiring after age fifty (50) shall be eligible to remain on the dental insurance plan provided there is no lapse in coverage, and provided that the retiree pays 100% of the premium. Once a retired teacher dental coverage terminates, he/she may not apply to reinstate coverage at a future date. A retired teacher may remain on the plan up to the age when eligible for Medicare.

D. Teachers retiring after age fifty (50) shall be eligible to remain on the vision insurance plan provided there is no lapse in coverage, and provided that the retiree pays 100% of the premium. Once a retired teacher declines coverage, he/she may not enroll at a future time. A retired teacher may remain on the plan up to the age when eligible for Medicare.

## Section 3. Retirement Severance Pay

All teachers retiring from the School Corporation with at least ten (10) years of School Corporation service shall receive forty dollars (\$40.00) per day for each accumulated unused illness leave day. This retirement severance pay shall be paid on behalf of the retiring teacher's into the 401(a) plan before June 30 of the teacher's final school year.

Of the amount contributed on behalf of a retiring teacher pursuant to the paragraph above, up to two thousand dollars (\$2,000.00) shall be reported to the Indiana State Retirement Teachers Fund on behalf of the retiring teacher during his/her last year of teaching.

#### Section 4 - Early Retirement Incentive

If Teacher notifies the Superintendent in writing prior to the start of the school year they are retiring at the end of that school year, \$3,000 dollars will be added to teacher's contract for that school year. Any teacher wanting to retire at the end of the 2019-20 school year will be given 30 days from ratification to notify the Superintendent.

Teachers may rescind their early retirement notification prior to the end of that school year if the following catastrophic events occur: death of a spouse, loss of employment by spouse, a qualifying financial hardship, or a loss of insurance coverage by a spouse. The deadline for a teacher rescinding their retirement under this agreement shall be the last day of that school year.

If a teacher rescinds their retirement notice after receiving \$3000 under this provision, the teacher shall not be required to return the \$3000 incentive, however they will no longer be eligible to participate in this Early Retirement Incentive and their contract for the following school year will be reduced by \$3000.

#### Section 5. Other Retirement Provisions

A. Special consideration will be given to retiring teachers who meet the above qualifications and who have signed contracts who find that they must retire because of health or other unusual reasons after the date of notification has passed.

B. If a teacher dies while in active service or before having received all severance benefits, the accrued severance pay shall immediately be paid based on regulations of the Indiana State Teachers Retirement Fund.

C. Teachers retiring after age fifty (50) who return to substitute, subject to satisfactory performance evaluation, will be compensated one and one half times the rate of pay per day for other substitutes.

### ARTICLE IX GRIEVANCE PROCEDURE

This grievance procedure, hereinafter referred to as "Procedure", stipulates the conditions under which and the procedures by which grievances alleged by bargaining unit members as defined in this Contract shall be processed. If any grievance(s) arises, there shall be no stoppage or suspension of work because of such grievances, but such grievances shall be submitted to the following grievance procedures.



## I. DEFINITIONS

As used in this procedure:

1. "Grievance" means an alleged violation, misinterpretation, or misapplication of any provision of this written contract.
2. "Superintendent" means the chief administrative officer of the School Corporation, or any person(s) designated by him to act in his behalf in dealing with school teachers.
3. "Grievant" means the certified school teacher directly affected by the alleged violation making the claim.
4. "Day" means school employer assigned duty day of the teacher which occurs during the term of a teacher's individual contract, provided however, that at all other times, "day" shall mean week day.

## II. STRUCTURE

1. Nothing herein contained shall be construed as limiting the right of any certified school teacher having a grievance to proceed independently of this procedure, provided however, utilization of any such independent procedure shall bar subsequent use of this procedure for settlement of said grievance.
2. The grievant may be represented by any person(s) of his own choosing at all levels of the procedure. , limited, however, to a total of two (2) representatives.

## III. PROCEDURE

The number of days indicated at each level should be considered as maximum. The time limits specified may, however, be extended by mutual written agreement of the grievant and the Board.

### A. INFORMAL GRIEVANCE

Within ten (10) days of the time the grievant first knew or should have known of the act or condition upon which it the grievance is based, the grievant must present the grievance to his principal or immediate supervisor or his designee by meeting with him individually in an informal manner during non-teaching hours or other mutually agreed to time. The grievant may be accompanied by a representative as provided herein, provided his principal or immediate supervisor is informed in advance of the grievant's desire to have a representative present. Failure to so meet and discuss said alleged grievance as provided herein shall prevent the grievant from filing said alleged grievance at any formal grievance level(s). Within seven (7) days after presentation of the grievance, the principal or immediate supervisor or his designee shall give his answer orally to the grievant.

## B. FORMAL GRIEVANCE

### 1. Level One

A. Within five (5) days of the oral answer, or within twelve (12) days after presentation of the grievance at the Informal Level if no oral answer has been rendered, if the grievance is not resolved, it must be filed with the principal or immediate supervisor or his designee in writing, signed by the grievant, on the appropriate form provided by the Board. The written grievance shall name the certificated school teacher involved, shall identify the alleged violations, shall state the contention of the grievant and shall indicate the specific relief requested.

B. Within five (5) days after receiving the written grievance the principal or supervisor or his designee shall communicate his answer in writing to the grievant.

### 2. Level Two

A. In the event that the grievance is not resolved at Level One, or if no written decision has been rendered within the time limit provided, the grievant may appeal the decision to Level Two provided said appeal is filed with the Superintendent within ten (10) days of the receipt of the written answer at Level One or within seventeen (17) days after presentation of the grievance at Level One if no written answer has been rendered. The appeal shall include a copy of all materials and evidence previously submitted and a copy at the same time, shall be given to the principal or supervisor or designee involved.

B. The grievant shall submit the written claim, signed by him, to the Superintendent of Schools. Within ten (10) days from the receipt of the grievance, the Superintendent shall render a written decision to the grievant as to the resolution of the grievance. The Superintendent may hold a formal hearing(s) prior to the rendering of the written decision, and an additional fourteen (14) days beyond the ten (10) days shall be allowed if the Superintendent determines further investigation is necessary.

### 3. Level Three

A. In the event the grievance is not resolved at Level Two, or if no written decision has been rendered within the time limit provided, the grievant may submit the grievance to the Board provided the grievant files said written appeal with the Board within seven (7) days of the receipt of the Superintendent's written answer, or if no written decision has been rendered by the Superintendent either within seventeen (17) days or within thirty-one (31) days after presentation of the grievance at Level Two, whichever is applicable. Upon receipt of said appeal, the Board shall consider and rule on the disposition of the grievance.

#### IV. MISCELLANEOUS PROVISIONS

1. Decisions rendered at formal Level One, Level Two, and Level Three of this procedure shall be in writing.
2. All documents, communications and records dealing with the processing of a grievance shall be filed separately from the personnel files of the grievant.
3. The grievance form is included as Appendix E.
4. Failure at any level of this procedure to render the decision on a grievance within the specified time limits shall permit the grievant to proceed to the next level, unless said time limits are extended by mutual written consent of both parties. However, the grievance must be appealed by the grievant to the next level within the specified time limit for that level or said grievance shall be deemed resolved by the Board's answer at the previous level and abandoned.
5. Any hearing at the informal level and at formal Level One, Level Two, and Level Three shall be held at mutually agreed to times outside the teacher's instructional day.
6. The time limits provided in this Article shall be strictly observed but may be extended by a written contract between the parties. In the event a grievance is filed after May 15th of any year, the board shall cooperate in expeditiously processing such grievance.
7. If, in the judgment of the Association, a grievance affects a group or class of teachers, the Association may submit such grievances, in writing, to the superintendent or his/her designee directly and the processing of such grievance shall be commenced at Level Two (2) of the formal grievance procedure.

ARTICLE X  
TERMS OF AGREEMENT, EFFECTIVE DATE AND SIGNATURES

Except as herein otherwise provided, this Agreement shall be effective from July 1, 2019 through June 30, 2021.

This Agreement is made and entered into at Sullivan, Indiana, on the 24<sup>th</sup> day of October, 2019 by and between the Board of School Trustees of the Southwest School Corporation of Sullivan County, Indiana, and the Southwest Sullivan Education Association. This Agreement is so attested to by the parties whose signatures appear below.

Date: \_\_\_\_\_

SOUTHWEST SULLIVAN EDUCATION  
ASSOCIATION

BOARD OF SCHOOL TRUSTEES  
SOUTHWEST SCHOOL CORPORATION

\_\_\_\_\_  
Co-President

\_\_\_\_\_  
President of the School Board

\_\_\_\_\_  
Co-President

\_\_\_\_\_  
Secretary of the School Board

\_\_\_\_\_  
Secretary

APPENDIX A

NEW HIRES SALARY SCHEDULE

<u>STEP</u>	Bachelor's Degree	Master's Degree or Bachelor's Degree + 5 Years
0	35000	35500
1	35500	36000
2	36000	36500
3	36500	37000
4	37000	37500
5	-	38,500
6	-	39,500
7	-	40,500
8	-	41,500
9	-	42,500
10	-	43,500
11	-	44,500
12	-	45,500
13	-	46,500
14	-	47,500
15	-	48,500
16	-	49,500
17	-	50,500
18	-	51,500
19	-	52,500
20	-	53,500
21+	-	54,500

## APPENDIX B

# Southwest School Corporation Teacher Compensation Model



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### Compensation Model Description

Teacher compensation will be based upon performance with teachers earning units for specific performance in the following two categories:

- Category 1: Teacher Evaluation
- Category 2: Experience

Eligible teachers will earn six (6) units in Category 1 and two (2) units each in Category 2 for maximum of 8 units. To be eligible, a teacher must have been rated highly effective or effective on the evaluation instrument the previous year, and have 120 paid days in the previous school year.

Increases under this compensation model will be issued to the teachers upon the determination of per unit value and the finalization of the evaluation.

Only teachers who are evaluated as Effective or Highly Effective are eligible to receive any salary increase, except for teacher eligible under Indiana Code 20-28-9-1.5 (f).

Increases will be granted ONCE THE IDOE DETERMINES SCHOOL LETTER GRADES.

RETIREEES WILL BE ELIGIBLE FOR COMPENSATION EARNED FOR THEIR FINAL YEAR'S EVALUATION. This will be paid in the form of a stipend.

The overall teacher salary range is \$31,958 - \$63,514 prior to any increases negotiated under this agreement, and without TRF contributions. When a teacher reaches a base salary of \$71,000 all compensation earned by the teacher will be paid in the form of a stipend.

### New Hire Salary

New hires will have their base salary set off of the NEW HIRES SALARY SCHEDULE (Appendix A) based on their experience. However, the Superintendent shall have the right to place the new hire up to two steps above or two steps below the placement on the salary schedule.

### Temporary Teacher Salary

The Superintendent has ability to set temporary teaching salaries based on appropriate need. This determination shall be discussed with the association.

## **CATEGORY DEFINITIONS**

### **Category 1 – Teacher Evaluation**

- Teachers rated Highly Effective or Effective on the evaluation instrument = 6 units
- Teachers rated Improvement Necessary or Ineffective\* = 0 units for ALL CATEGORIES

\*Except those eligible under Indiana Code 20-28-9-1.5(f).

### **Category 2 - Experience**

- Minimum 120 paid days in the previous school year = 2 units

All certificated staff and their base salaries will be kept in a spreadsheet format and updated annually thereafter to reflect any salary additions to their base salary. The spreadsheet will be maintained by the Superintendent or designee and presented to Association within 45 days after the announcement of the school letter grade (or the final determination of the teacher ratings).

## APPENDIX - C

### RULES GOVERNING EXTRA DUTY SCHEDULE

Reference to “Middle School” shall mean grades 7 and 8, unless otherwise indicated. Number of positions and extended days are included for informational purposes only and were not bargained.

<u>Athletics</u>	<u>Compensation</u>
High School Athletic Director – 4 periods for A.D. work plus Assistant to HS Athletic Director for Supervision	\$5,860 \$4,075
SMS Athletic Director (Grades 5-8) Carlisle Athletic Director (Grades 5-8) Working at any one (1) athletic event (payable by building)	\$3,900 \$1,500 \$20.00 minimum
Head Boys Varsity Basketball "B" Team Boys Basketball Middle School Boys Basketball - Each Grade Head Girls Varsity Basketball "B" Team Girls Basketball Middle School Girls Basketball - Each Grade	\$5,860 \$2,760 \$1,380 \$5,860 \$2,760 \$1,380
Head Football Defensive Coordinator & Asst. Varsity Offensive Coordinator & Asst. Varsity Specialties Coach and "B" Team Coach Middle School Football Coach (2)	\$5,860 \$3,040 \$3,040 \$3,040 \$1,380
Head Baseball Assistant Baseball	\$3,040 \$1,725
Head Boys Track Assistant Boys Track Middle School Boys Track (Grades 6-8)	\$3,040 \$1,725 \$1,035
Girls Varsity Track Assistant Girls Varsity Track Middle School Girls Track (Grades 6-8)	\$3,040 \$1,725 \$1,035
Girls Volleyball - Varsity Girls Volleyball - "B" Team Girls Volleyball - Middle School - Each Grade	\$4,700 \$1,725 \$1,380
Head Boys Golf Head Girls Golf Middle School Golf - Grades 6, 7, 8	\$3,040 \$3,040 \$880



Boys' and Girls' Cross Country – High School	\$3,040
Cross Country - Middle School (Grades 6-8)	\$880
Head Softball	\$3,040
Assistant Softball	\$1,725
Tennis - Fall (Boys)	\$3,040
Tennis - Spring (Girls)	\$3,040
Middle School Tennis (Boys')	\$880
Middle School Tennis (Girls')	\$880
Soccer (Boys')	\$3,040
Assistant Soccer (Boys')	\$1,725
Soccer (Girls')	\$3,040
Assistant Soccer (Girls')	\$1,725
Middle School Soccer (Boys')	\$1,340
Middle School Soccer (Girls')	\$1,340
Head Wrestling	\$3,040
Assistant Wrestling - High School	\$1,725
Middle School Wrestling	\$1,035
Assistant Middle School Wrestling	\$720

#### Cheerleader Sponsorship

High School Teams	\$3,040
Assistant Cheer Coach High School (1)	\$1,725
Middle School Teams (2)	\$785

#### Curricular

High School Choral Director	\$2,670
High School Band Director	\$2,670
Middle School Band Director per building	\$660
Middle School Choral Director per building	\$660
Elementary Choral Director per building	\$505
Girls Drill Team (Arrowettes)	\$2,100
Middle School Dance (2)	\$660
High School FCCLA Sponsor	\$660
High School Yearbook Sponsor	\$940

If proceeds of high school drama productions are sufficient to fund a High School Drama stipend for a particular semester, a Drama stipend of up to \$250 per semester and up to a total of \$500 for the school year will be paid to high school drama teacher.

If proceeds of high school musical production are sufficient to fund a High School Musical stipend for a particular year, a High School Musical stipend of up to \$1,000 for the school year will be paid to the high school music teacher.

Summer Agriculture

One Position (40 days)  
Two Positions – 25 days each and an additional 15 days per position to be reimbursed to the corporation by the state; any shortfall will be reimbursed to the corporation by the FFA account.

School Nurse (Added to teacher’s contract) (10 days)

High School Athletic Director (Added to teacher’s contract) (25 days)

Audio Visual Director (Added to teacher’s contract) (10 days)

Guidance Director (Added to teacher’s contract) (25 days)

Asst. Guidance Director (Added to teacher’s contract) (10 days)

School Psychologist (10.5 days)

Academic Coaches

Spell Bowl (1) - SHS \$785

Academic Super Bowl (1) - SHS \$785

Science Olympiad (3) - SHS, SMS, & Carlisle \$785

Science Olympiad Assistant (3) - SHS, SMS, & Carlisle \$470

Science Bowl (2) - SMS & CARLISLE \$785

Quiz Bowl (1) - SHS \$785

Geography Bowl (2) – SMS & CARLISLE \$785

Clubs

Beta Club Sponsor H.S. (2) \$785

Beta Club Sponsor Middle School (3) \$660

National Honor Society \$660

SHS Key Club \$660

HS Student Council \$660

Middle School Student Council \$470

All Summer School Programs Hourly Rate

Remediation/Tutoring Programs Hourly Rate

Home Bound Instruction Hourly Rate

Home Bound No-Show Stipend \$25.00

Professional Development Stipend \$75 Daily

## APPENDIX - D

### Buyout Language

Effective date: The following amendments made to the 2001-2003 Agreement between the Board of School Trustees of the Southwest School Corporation and the Southwest Sullivan Education Association, (the "Prior Agreement") shall be effective with respect to any teacher employed by the Southwest School Corporation prior to June 1, 2004 (the "Effective Date"). Any teacher who has retired before the Effective Date shall only be entitled to those benefits contained in Prior Agreement. Teachers who fail to provide such written notice by September 1, 2004, 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.

#### A. RETIREMENT BENEFITS

##### 1. 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 XIV, entitled "Compensation and Expenses", Section 10, entitled "Insurances in Retirement", Section 11, entitled "Retirement Severance Pay", Section 12, entitled "Other Retirement Provisions", and Section 13, entitled "Retirement Bridge Benefit", in the Prior Agreement are revised and/or terminated and shall not apply to any teacher retiring or severing employment with the School Corporation on or after the Effective Date. Those teachers who retired or severed employment before the Effective Date shall only be entitled to the retirement benefits contained in the Prior Agreement as of the time of his or her retirement, but as may be otherwise revised from time to time.

##### 2. Entitlement to Retirement Benefits, Vesting Requirements

Upon retirement from the Southwest School Corporation, a teacher shall be fully vested in the retirement benefits described in this Article if the retiring teacher has satisfied the following requirements:

- a. A teacher must be at least fifty (50) years of age and must have served at least ten (10) years with the Southwest School Corporation to access "Insurances in Retirement."
- b. On or before April 15th of the teacher's final teaching year, written notification must be given to the Superintendent of the individual's intention to retire. The Superintendent may waive this notification rule.
- c. A teacher shall also be fully vested and eligible to access his/her retirement benefits described in the Article if the teacher has been approved to receive the LTD benefit provide in this collective bargaining agreement.

3. Actuarial Determination of Value of Current Retirement Bridge and Severance Benefits

The ISTA Financial Services Corporation has been selected to determine the present value of the unfunded Severance Benefits and Retirement Bridge benefits described in the Prior Agreement. In making this present value determination, FSC shall use the following assumptions:

- a. Interest Rate: The assumed interest rate for purposes of determining the present value of the retirement severance benefits contained in the Prior Agreement is four and one-half percent (4.5%) for the 2003-04, 2004-05, and 2005-06 school years and seven and one-half percent (7.5%) per year thereafter.
- b. Retirement Age: It is assumed that a teacher terminates employment at the end of the school year in which the teacher attains age fifty-eight (58) or at the end of the current year, if the individual is already fifty-eight (58) or older.
- c. Retirement Pay: The anticipated amount of the retirement severance benefits contained in the Prior Agreement shall be determined using the amount of annual benefit described in Article XIV, Section 11 and Section 13 of the Prior Agreement. However, it is assumed that individuals do not retire until the later of: (i) the attainment of age fifty-eight (58) or (ii) satisfaction of the eligibility requirements of Section A (2) of this new Article.
- d. FICA: The present value of the future retirement severance benefits contained in the Prior Agreement will be reduced by the Social Security and Medicare taxes (FICA) that would have been payable if the Retirement Severance benefits contained in the Prior Agreement had been paid directly to the teacher.
- e. Exclusion of Teachers: Teachers hired after the Effective Date, shall not be entitled to any payment for the eliminated retirement severance benefits contained in the Prior Agreement. In other words, no contribution shall be made for individuals hired or rehired on or after June 1, 2004. Additionally, teachers with less than five (5) years of teaching experience with the School Corporation as of June 1, 2004, shall not be entitled to any payment for the eliminated retirement severance benefits contained in the Prior Agreement. In other words, no contribution shall be made for teachers with less than five (5) years of teaching experience with the School Corporation as of June 1, 2004.
- f. Rehired Teachers: Amounts forfeited upon termination of employment because of the failure to meet the applicable vesting requirements shall not be reinstated or re-credited if an individual is subsequently rehired

or re-employed by the School Corporation after the Effective Date. However, if the Board shall have approved a leave of absence, such period of leave shall not result in forfeiture provided the teacher shall promptly return to employment following the expiration of the period of leave.

- g. Calculation Date: The present value of the retirement severance benefits contained in the Prior Agreement shall be calculated as of April 30, 2004.

Verification of Information: To confirm the accuracy of the underlying information to be used in the present value calculations, each teacher shall be provided with his or her basic data that will be used in the calculations, including, but not limited to, the following information as of April 30, 2004: base salary, age, years of service, and accumulated sick leave. Educational Service Corporation ("ESC") shall assist in the preparation of this verification sheet for each teacher; however, the Association will have the responsibility to forward the verification sheets to the respective teachers. . Any corrections must be returned to the school corporation within ten (10) days of receipt as final calculations will be prepared and the contributions hereinafter described will be commenced after such date. Corrections not returned to the school corporation until after the ten (10) days shall be disregarded.

The parties agree that the retirement buyout amounts reflected in the Memorandum of Understanding attached hereto and incorporated herein as Appendix A (NOTE: The retirement buyout amounts are housed in the Central Office of the Southwest School Corporation) represent the amounts generated by ESC for each eligible individual teacher using the assumptions mutually agreed to by the parties and set forth in Section C above constitute a full and complete satisfaction of the School Corporation's retirement severance obligations to teachers under Article XIV, entitled "Compensation and Expenses", Section 10, entitled "Insurances in Retirement, Section 11, entitled "Retirement Severance Pay", and Section 13, entitled "Retirement Bridge Benefit" of the Prior Agreement.

- 4. 401(a) Plan: The School Corporation shall establish a qualified retirement plan as described in section 401(a) of the Code (the "401(a) Plan") for teachers employed by the Southwest School Corporation prior to the Effective Date. The total sum of the amount calculated by FSC as the present value for the retirement severance benefits contained in the Prior Agreement shall then be contributed by the School Corporation to the 401(a) Plan. The investment vendor for the 401(a) Plan shall be ISTA Financial Services Corporation. The 401(a) Plan's terms and conditions for the administration of the plan shall be as follows:

- a. Separate Accounts: The amount calculated for each teacher will be invested in a separate account. There will be no co-mingling of

accounts and each teacher 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.

- b. Vesting: Until such time that an teacher has retired and satisfied the eligibility requirements set forth in Section A (2) of this Article, the teacher shall have no access to the assets held in his or her separate 401(a) Plan account.
- c. Forfeiture: If an teacher retires or otherwise terminates employment before satisfaction of the requirements set forth in Section A (2) of this Article for any reason, the terminated teacher's 401(a) Plan account shall be forfeited. The forfeited amounts shall be returned to the School Corporation.
- d. Distributions: Following retirement and the satisfaction of the requirements set forth in Section A (2) of this Article, a retired teacher may elect to commence distributions from his 401(a) Plan account.
- e. Costs: The School Corporation 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.
- f. Additional Plans: The School Corporation may establish other qualified plans as described in section 401(a) of the Code, subject to such terms and conditions as the School Corporation 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.

B. SECTION 401(A) AND SECTION 403(B) PLAN

1. The Board shall establish and maintain a qualified Section 401(a) Annuity Plan ("401(a) Plan") and a qualified Section 403(b) Plan ("403(b) Plan") for all certified teachers. The Section 403(b) Plan shall include provisions for pre-tax salary reduction contributions by the teacher. The Board shall contribute to each teacher's Section 401(a) Plan, one and one-half percent (1.5%) of the teacher's Salary Schedule salary starting in the 2004-2005 school year and every year thereafter.
2. The Board shall deposit employer contributions for each teacher into the Section 401(a) Plan administered by the ISTA Financial Services Corporation and maintained by the Board. As of May 1, 2010, the 401(a) plan shall be administered by the Principal Financial Group and maintained by the Board.
3. There will be three (3) 401(a) plans for teacher participation. One (1009555-01 401(a) – annual deposit account) will be immediately vested and contain the

annual annuity contribution. One (1009555-03 401(a) – on-going account) will be immediately vested and contain the on-going retirement contribution of 1.5 percent. The other (1009555-04 401(a) – buyout account) will contain the days and years retirement buyout money described elsewhere within this memorandum of understanding and will vest at age 50 pursuant to the terms of the SWSC-SSEA contract.

4. Eligible certified teachers will have the option of continuing to invest their dollars in tax-deferred annuities for which money is already being deducted from the teacher's salary or the tax-deferred annuity offered by the selected vendor. Such contributions shall be counted by the Board for purposes of the certified teacher's required matching contribution.

C. VEBA. The School Corporation shall contribute to a voluntary employees' beneficiary association ("VEBA"), as described in Section 501(c)(9) of the Internal Revenue Code, that amount representing the present value of the group health insurance benefits, as calculated for all teachers using the following assumptions to which the parties mutually agreed set forth in Section A-3 of this Article. Additional terms and conditions for the administration and operations of the VEBA shall be as follows:

1. Separate Accounts. The amount calculated for each teacher will be invested in a separate account. It is further understood that there shall be two VEBA accounts created pursuant to the terms of this agreement which qualify under section 501©(9) of the Internal Revenue Code, but that neither account is an active VEBA as defined by the terms of the 2003-2005 contract between the SWSC and the SSEA. There will be no comingling 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. Vesting. Until such time that a teacher has retired and satisfied the eligibility requirements set forth in Section A (2) of this Article , the teacher shall have no access to the assets held in his or her separate VEBA account.
3. Forfeiture. If a teacher retires or otherwise terminates employment before satisfaction of the requirements set forth in Section A (2) of this Article for any reason, the terminated teacher's VEBA account shall be forfeited.–Among the then-remaining separate 10009578-01 401H accounts in a manner similar to that used in initially determining the present value calculations. Only those teachers who were employed as of June 30, 2001 are eligible to receive this distribution. However, the VEBA accounts of the following teachers will not share in the reallocation of a forfeiture of a VEBA account:
  - (i) Teachers who have forfeited their VEBA accounts in the same year;
  - (ii) Teachers who previously forfeited their VEBA accounts; and
  - (iii) Teachers who have attained age 55 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.

4. Distributions. Following retirement and the satisfaction of the requirements set forth in Section A(2) of this Article, a retired teacher 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 teacher, spouse, and dependents. Furthermore, following the death of the teacher who had otherwise satisfied the requirements of Section A(2) of this Article, any amounts remaining in the deceased teacher's VEBA account may continue to be used to pay these premiums and expenses of the teacher's spouse and dependents. Any amounts not distributed to or for the benefit of the teacher, spouse and/or dependents shall be available for distribution as part of the retiree's estate to his or her ISTRF declared beneficiary. (At no time may the VEBA make loans to a teacher, his/her spouse, or dependents.)
5. Costs. The School Corporation 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.
6. Ongoing Contributions – Effective with the issuance of the SB 199 pension bonds, the Board will contribute an amount equal to one and one-half percent (1.5%) of a teacher's salary schedule salary into an individual VEBA account for the teacher. The teacher shall be immediately vested.



**APPENDIX E**

**GRIEVANCE FORM**

Name of Grievant \_\_\_\_\_ Grievance # \_\_\_\_\_

Date Formal Grievance Filed \_\_\_\_\_

School \_\_\_\_\_

Date Cause of Grievance Occurred \_\_\_\_\_

Statement of Grievance \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Relief Requested \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signature of Grievant \_\_\_\_\_

Received by \_\_\_\_\_ Date Received \_\_\_\_\_

Disposition by Principal \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Signature of Principal \_\_\_\_\_

Date Signed \_\_\_\_\_

## **APPENDIX F**

### Universal Life Insurance Teacher List

Virginia Phegley

## **APPENDIX G**

The following information on the Teacher Appreciation Grant is included for informational purposes only and was not bargained.

### TEACHER APPRECIATION GRANT

The Southwest School Corporation will distribute its Teacher Appreciation Grant monies received from the Indiana Department of Education to the teachers who meet the following criteria:

1. Employed in the classroom or directly provided education in a virtual classroom setting;
2. Received a Highly Effective or an Effective rating on their most recently completed performance evaluation; and
3. Employed on December 1<sup>st</sup> of the year the Corporation receives the Teacher Appreciation Grant monies.

The School Corporation will distribute its Teacher Appreciation Grant monies as follows:

1. To All Effective Teachers: A stipend as determined by the superintendent
2. To All Highly Effective Teachers: A stipend in the amount of 25% more than the stipend given to Effective teachers

The School Corporation will distribute the stipends within 20 business days of the distribution date by the Indiana Department of Education of the Teacher Appreciation Grant monies to the School Corporation.

LEGAL REFERENCE: I.C. 20-43-10-3.5

ADOPTED 7-17-2019

