

**Memorandum of Understanding  
Between  
Coast Community College District and  
Coast Federation of Classified Employees, Local 4794**

**September 2, 2020**

**Retirement Incentive Program #2  
2020-2021 PARS Supplementary Retirement Plan ("SRP")**

The Coast Community College District ("District"), with the concurrence of the Coast Federation of Classified Employees ("CFCE"), herein referred to collectively as the "Parties," agree to propose a Supplementary Retirement Plan ("SRP") administered by Public Agency Retirement Services ("PARS"), for eligible classified employees, under the following terms:

**I. Eligibility**

- A. In order to be eligible for the SRP, a classified employee must meet each of the following five criteria:
1. Be employed by the District as of December 31, 2020 for Retirement Window #1, or as of January 31, 2021 for Retirement Window #2; and
  2. Have completed 10 or more consecutive years of service as a classified employee with the District by December 31, 2020 for Retirement Window #1. or by January 31, 2021 for Retirement Window #2; and
  3. Is eligible to retire under CalPERS (*i.e.*, age 50 with five years of CalPERS service credit) as of December 31, 2020 for Retirement Window #1. or as of January 31, 2021 for Retirement Window #2; and
  4. Have submitted all required SRP enrollment materials and District Irrevocable Resignation Form to the PARS office no later than 5 p.m. on October 23, 2020; and
  5. Have resigned from District employment effective December 31, 2020 for Retirement Window #1, or effective January 31, 2021 for Retirement Window #2.

**II. Requirements**

- A. Eligible classified employees must also meet the following requirements (in order to participate in the SRP):
- 1) Submit all required SRP enrollment materials and a District Irrevocable Resignation Form to the PARS office no later than 5:00 p.m. on October 23, 2020; and
  - 2) Submit letter of irrevocable resignation from District employment to the District's Department of Human Resources, as noted in Section I.A.5 above.
- B. Participating classified employees will not be eligible for any other District-sponsored

47 retirement incentive program.  
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- 49 C. Participating classified employees may not re-employ with the District as a classified  
50 employee, confidential employee, manager, or faculty member without forfeiting the  
51 entirety of their PARS SRP benefit. Participating classified employees may be  
52 eligible for future substitute, professional expert, or retired annuitant service if they  
53 have fulfilled CalPERS and/or CalSTRS requirements for post-retirement  
54 employment.  
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- 56 D. A minimum level of participation in the SRP will be required in order for it to be in  
57 effect and to be accepted by the District's Board of Trustees. Additionally, the  
58 District has the unilateral right to retract the SRP, to rescind this MOU, and to revoke  
59 all of the resignation/retirement letters associated with the SRP if the District's fiscal  
60 and operational objectives are not met.  
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- 62 E. As of the SRP enrollment deadline, October 23, 2020, all resignations of participants  
63 are irrevocable and may not be rescinded unless the District withdraws the SRP  
64 pursuant to Section II-D above.  
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### 66 **III. SRP Payments**

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- 68 A. The District shall make non-elective employer contributions to the participants'  
69 403(b) annuity contract held at Pacific Life Insurance Company.
- 70 B. The sum of the District's contributions to the annuity are to equal 65% of Final Pay,  
71 according to the following schedule:  
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January 10, 2021	13%
January 10, 2022	13%
January 10, 2023	13%
January 10, 2024	13%
January 10, 2025	13%
<b>Total Contributions</b>	<b>65%</b>

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- 74 C. For purposes of the SRP, "Final Pay" is defined as follows:  
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- 76 i. The participants' annual base salary, as listed on the District's "EE",  
77 "E0", or "E1" Salary Schedules, for the 2020-2021 Fiscal Year,  
78 multiplied by the participant's current FTE (full-time equivalence).  
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- 80 ii. Final Pay does not include overtime, out-of-class assignments, shift  
81 differentials, special project differentials, vacation payouts, longevity  
82 pay, and/or any other type of pay that is in addition to the employee's  
83 annual salary as published on the 2020-2021 "EE," "E0," or "E1" Salary  
84 Schedules.

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iii. For those participating in the Pre-Retirement Reduced Workload Program, Final Pay shall be defined as the participant's annual base salary for the 2020-2021 Fiscal Year as if the participating employee were working 1.0 FTE.

iv. For those on a temporary leave of absence (of any kind) during the 2020-2021 Fiscal Year, Final Pay shall be defined as the final annual base salary for the 2020-2021 Fiscal Year as if the participating employee had worked in the same classification in regular status for the entire 2020-2021 fiscal year.

D. Alternative monthly forms of payment of equivalent present value to the basic benefit, which shall be paid in the form of a monthly life annuity, shall be offered.

They shall include:

- i. Monthly 100% joint-and-survivor payments; and
- ii. Monthly lifetime payments with a 10 year guarantee; and
- iii. Fixed term monthly payment from 5 to 15 years. These payments are guaranteed to the participant for the full term selected.

The amount of monthly or annual cash payment shall be fixed upon annuity purchase date and shall not be subject to increase thereafter.

The choice of form of payment (and the choice of payment beneficiary if choosing a joint and survivor form of payment) shall become final upon October 23, 2020, and shall not be subject to change thereafter.

Participants shall not have a cash option to the employer 403(b) contributions.

All contributions into the participant's 403(b) account must be made in accordance with applicable IRS Rules and Regulations.

E. SRP benefits are scheduled to commence February 1, 2021.

#### IV. Retiree Medical Benefits

A. For participants age 55 and over with 10 years of service to the District, in order to continue District insurance benefits upon retirement, participants must meet the service retirement criteria listed in Article 21 of the Parties' Collective Bargaining Agreement ("CBA").

B. For participants ages 50-54 with 10 years of service to the District, the District will allow a one-time, temporary continuance of District insurance benefits upon retirement provided that:

- i. The employee selects a District-provided HMO plan (employee and

- 129 dependent coverage) for the period until attaining age 55 at which  
 130 point the employee may select from the options currently available to  
 131 regular retirees at age 55 and over; and  
 132 ii. The employee meets all of the other District requirements for the  
 133 District's Retiree Medical Benefits Program as outlined in the current  
 134 CBA and applicable Board policies; and  
 135 C. This modified benefit eligibility is non-precedent setting and does not constitute a  
 136 past practice.  
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138 **V. Proposed SRP Timeline**  
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Action	Date
Board Approves Resolution to Offer SRP	September 2, 2020
District Distributes SRP Announcement	September 3, 2020
<b>SRP Opens</b>	<b>September 3, 2020</b>
SRP Enrollment Packets Mailed to Eligible Employees	No later than September 11, 2020
Online Orientation Videos are Posted	No later than September 11, 2020
PERS Workshops	<u>TBD</u>
<b>SRP Enrollment Materials and District Resignation Form must be submitted</b>	<b>September 3, 2020 – October 23, 2020</b>
<b>SRP Enrollment Window Closes</b>	<b>October 23, 2020 at 5 pm</b>
Board Approves/Rejects SRP	November 4 or 18, 2020
District Announces Whether SRP goes Forward	No Later than November 20, 2020
Employees Resign	Effective December 31, 2020 OR January 31, 2021
Employees Retire with CalPERS	Effective January 1, 2021 OR January 30, 2021
SRP Benefits Commence	February 1, 2021

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 141 **VI. Miscellaneous**  
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- 143 A. All letters of retirement/resignation submitted are irrevocable and may not be  
 144 rescinded unless the SRP is rejected by the Board.  
 145 B. Employees shall be responsible for ensuring that their materials are received by  
 146 PARS within the timelines set forth herein. No exceptions will be made for late  
 147 paperwork.  
 148 C. This MOU is subject to Board approval and ratification by the CFCE membership  
 149 before it is effective.  
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151 The Parties intend this MOU to benefit all unit members, the District, and the students that we  
 152 serve. The Parties recognize and value the contributions of the classified service and those  
 153 classified employees who may be eligible for participation in this SRP. The Parties intend this

154 MOU to settle all matters relating to the offered SRP, but agree to meet and negotiate regarding  
155 any impacts and effects as required by law. Specifically, the Parties agree to engage in further  
156 negotiations regarding workload impacts should the Board adopt the SRP in January 2021.  
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158 The District agrees, in good faith, to negotiate any impacts and effects that CFCE identifies  
159 regarding classified positions that ultimately become vacant as a result of this SRP, including  
160 any impacts and effects that may be associated with the placement of employees impacted by a  
161 lack of funds or a lack of work into post-SRP vacancies. The Parties further agree to meet within  
162 30 days of the date the SRP is adopted by the Board to review the results of the SRP.  
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164 Both the District and CFCE acknowledge that the Parties otherwise retain their respective rights  
165 under the CBA and applicable law. This MOU is non-precedential, and shall not be deemed to  
166 establish a practice or policy by either Party.  
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171 Andrew Deaso, CFCE President/Date

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176 Dr. Marco Baeza, CCCD Chief Negotiator/Date

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181 Dr. John Weispfenning, Chancellor/Date

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186 David Grant, Board President/Date

