

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

December 10, 2019

**Retirement Incentive Program
2019-2020 PARS Supplemental Retirement Plan ("SRP")**

The Coast Community College District ("District"), with the concurrence of the Coast Federation of Classified Employees ("CFCE"), herein referred to as the "Parties", agrees to offer a Supplemental 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, employees must meet criteria (1) through (3) below:

- 1) Are employed by the District as of January 16, 2020; and
- 2) Have completed 10 or more consecutive years of service as a classified employee with the District by June 30, 2020; and
- 3) Are eligible to retire under CalPERS (age 50 with 5 years of CalPERS service credit) as of June 30, 2020.

II. Requirements

A. Eligible classified employees must also meet requirements (1) through (3) below in order to participate in the SRP:

- 1) Submit all required SRP enrollment materials and an District Irrevocable Resignation Form to the PARS office between April 1, 2020 and April 17, 2020. SRP enrollment materials and District Resignation Forms received prior to April 1, 2020 will be returned to the submitting employee; and
- 2) Submit a District Irrevocable Resignation Form to the District Office of Human Resources by April 17, 2020 at 5:00 p.m.
- 3) Have resigned from District employment effective June 30, 2020.

B. Participating classified employees will not be eligible for any other District-sponsored retirement incentive program.

C. Participating classified employees may not re-employ with the District, in any capacity in the future, including as a classified employee, confidential employee, manager, or faculty member, without forfeiting the entirety of their PARS SRP benefit.

D. A minimum level of participation in the SRP will be required in order for it to be in effect and to be accepted by the Board of Trustees. Additionally, the District has the

47 unilateral right to retract the SRP, to rescind this MOU, and to revoke all of the
 48 resignation/retirement letters associated with the SRP if the District's fiscal and
 49 operational objectives are not met.

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 51 **III. SRP Payments**

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 53 A. The District shall make non-elective employer contributions to the participants'
 54 403(b) annuity contract held at Pacific Life Insurance Company.
 55 B. The sum of the District's contributions to the annuity are to equal 70% of Final Pay,
 56 according to the following schedule for employees resigning from District
 57 employment on June 30, 2020:
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July 10, 2020	14%
July 10, 2021	14%
July 10, 2022	14%
July 10, 2023	14%
July 10, 2024	14%
Total Contributions	70%

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 60 C. For purposes of the SRP, "Final Pay" is defined as follows:
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 62 i. The participants' annual base salary, as listed on the District's "EE", "E0", or
 63 "E1" Salary Schedules, for the 2019-2020 Fiscal Year, multiplied by the
 64 participant's current FTE (full-time equivalence).
 65
 66 ii. Final Pay does not include overtime, out-of-class assignments, shift
 67 differentials, special project differentials, vacation payouts, and/or any other
 68 type of pay that is in addition to the employee's annual salary as published on
 69 the 2019-2020 "EE," "E0," or E1" Salary Schedules.
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 71 iii. For those participating in the Pre-Retirement Reduced Workload Program,
 72 Final Pay shall be defined as the participant's annual base salary for the 2019-
 73 2020 Fiscal Year as if the participating employee was working 1.0 FTE.
 74
 75 iv. For those on a temporary leave of absence (of any kind) during the 2010-
 76 2020 Fiscal Year, Final Pay shall be defined as the final annual base salary
 77 for the 2019-2020 Fiscal Year as if the participating employee had worked in
 78 the same classification in regular status for the entire 2019-2020 fiscal year.
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 80 D. Participants may select one of the following forms of monthly payment from the annuity:
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Option 1	Retiree's Life	
Option 2*	Retiree's and Beneficiary's Life	
Option 3	Greater of Lifetime or 10 Years	
Option 5**	5 Years	Guaranteed Pay Out
Option 6**	6 Years	Guaranteed Pay Out
Option 7**	7 Years	Guaranteed Pay Out
Option 8**	8 Years	Guaranteed Pay Out
Option 9**	9 Years	Guaranteed Pay Out

Option 10	10 Years	Guaranteed Pay Out
Option 11	11 Years	Guaranteed Pay Out
Option 12	12 Years	Guaranteed Pay Out
Option 13	13 Years	Guaranteed Pay Out
Option 14	14 Years	Guaranteed Pay Out
Option 15	15 Years	Guaranteed Pay Out

**Option 2: Monthly benefit is based on a retiree and beneficiary of the same age.*

***Options 5-9: May be rolled over to an IRA or another Qualified Plan*

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 on April 17, 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.

SRP benefits for participants resigning effective June 30, 2020 will begin on August 1, 2020.

IV. Proposed SRP Timeline

Action	Date
Board Approves Resolution to Offer SRP	January 15, 2020
District Distributes SRP Announcement	January 16, 2020
SRP Opens	January 16, 2020
SRP Enrollment Packets Mailed to Eligible Employees	TBD, no later than week of January 20, 2020
PARS Employee Orientation Meetings	TBD, appx the week of February 3, 2020
PERS Workshops	TBD, Mid-Late February 2020
PARS Individual Employee Meetings	TBD, appx March 9, 2020 – March 20, 2020
SRP Enrollment Materials and District Resignation Form must be submitted	April 1, 2020 – April 17, 2020
SRP Enrollment Window Closes	April 17, 2020 at 5 pm
Board Approves/Rejects SRP	May 6, 2020 - May 20, 2020
District Announces Whether SRP goes Forward	No Later than May 22, 2020
Employees Resign	Effective June 30, 2020
SRP Benefits Commence	August 1, 2020

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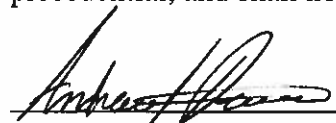
V. Miscellaneous

- A. All letters of retirement/resignation submitted are irrevocable and may not be rescinded unless the SRP is rejected by the Board.
- B. Employees shall be responsible for ensuring that their materials are received by PARS and the District within the timelines set forth herein. No exceptions will be made for late paperwork.
- C. In order to continue District insurance benefits upon retirement, employees must separately meet the service retirement criteria listed in Article 21 of the Parties' Collective Bargaining Agreement.
- D. This MOU is subject to Board approval and ratification by the CFCE membership before it is effective.

The Parties intend this MOU to benefit all unit members, the District, and the students that we serve. The Parties recognize and value the contributions of the classified service and those classified professionals who may be eligible for participation in this SRP. The Parties intend this MOU to settle all matters relating to the offered SRP, but agree to meet and negotiate regarding any impacts and effects as required by law. Specifically, the Parties agree to engage in further negotiations regarding workload impacts should the Board adopt the SRP on May 6, 2020 or May 20, 2020.

The District agrees, in good faith, to negotiate any impacts and effects that CFCE identifies regarding classified positions that ultimately become vacant as a result of this SRP; including any impacts and effects that may be associated with the placement of employees impacted by a lack of funds or a lack of work into post-SRP vacancies. The Parties further agree to meet within 30 days of the date the SRP is adopted by the Board to review the results of the SRP.

Both the District and CFCE acknowledge that the Parties otherwise retain their respective rights under the Parties' Collective Bargaining Agreement and applicable law. This MOU is non-precedential, and shall not be deemed to establish a practice or policy by either Party.

 12/10/19
 Andrew Deaso, CFCE President/Date

 12/10/19
 Dr. Marco Baeza, CCCD Chief Negotiator/Date

 Dr. Lorraine Prinsky, Board President/Date