

**MEMORANDUM OF UNDERSTANDING
REGARDING
HOLD HARMLESS RELATED TO ACTIVITY STIPEND CHANGES**

This Memorandum of Understanding (“MOU”) is entered into by and between the Board of Education of Hinsdale Township High School District No. 86 (“the Board”) and the Hinsdale High School Teachers Association (“HHSTA”) (hereinafter referred to collectively as “the Parties”).

WHEREAS, the Board and HHSTA are parties to a collective bargaining agreement that is in full force and effect until June 30, 2023; and

WHEREAS, the Parties recently completed negotiations for a successor collective bargaining agreement (2023-2027 CBA) that after approval by the Parties, will be in effect on July 1, 2023; and

WHEREAS, the Parties restructured and reallocated activity stipend amounts to be included in the 2023-2027 CBA and desire that such changes not negatively impact the TRS creditable earnings of employees participating in the District’s retirement program.

NOW THEREFORE, the Parties agree as follows:

1. **Hold Harmless.** With the change in pay rates for activity sponsors starting in the 2023-2024 school year, any sponsor who received a stipend in the 2022-2023 school year and is approved for a retirement stipend under Article 16 of the collective bargaining agreement will be held harmless with respect to the retirement stipend.

With the change in pay rates for activity sponsors starting in the 2023-2024 school year, any sponsor who received a stipend in the 2022-2023 school year and will be approved for a retirement stipend on or before January 1, 2024, under Article 16 of the collective bargaining agreement will be held harmless with respect to the retirement stipend.

For the above two situations, the activity stipend will be paid in accordance with the new activity chart starting in the 2023-2024 school year and any difference will be addressed in the year end stipend to hold the individual harmless.

- **EXAMPLE #1** - If the activity stipend was \$2,000 in 2022-2023 and it changed to \$4,000 and the sponsor receiving such stipend is in the retirement pipeline, he/she will receive the \$4,000 during the year, but in the retirement stipend paid out in June, the maximum they can earn would be 6% over the prior year’s TRS credible earning, so his/her retirement stipend would be adjusted accordingly.

- EXAMPLE #2 - If the stipend went from \$5,000 to \$4,000, the sponsor would still earn the \$4,000 during the school year for the activity, but his/her retirement stipend would be increased accordingly to make the total 6% in the June retirement stipend over the previous years TRS creditable earnings that included the \$5,000.

2. **Effective Date / Termination Date.** This MOU is effective immediately upon ratification of the 2023-2027 collective bargaining agreement and receipt of signatures of both Parties and shall terminate on June 30, 2027.

IN WITNESS WHEREOF, the PARTIES hereto have set their hands and seals as of the dates written below.

President, Board of Education

Date

HHSTA President

Date

HHSTA President

Date