


**MEMORANDUM OF UNDERSTANDING
BETWEEN
BLUFFTON-HARRISON METROPOLITAN SCHOOL DISTRICT AND
BLUFFTON-HARRISON TEACHERS ASSOCIATION**

1. **Parties:** This Memorandum of Understanding (hereinafter referred to as "MOU") is made and entered into by and between the School Board of Bluffton-Harrison Metropolitan School District, herein referred to as the "Board", and the Bluffton-Harrison Teachers Association, herein referred to as the "BHTA".
2. **Purpose:** The purpose of this MOU is to formally establish an amendment to the 2023-2024 Contract Agreement. The amendment will be included as part of Article 4 - Compensation & Benefits. The amendment modifies and clarifies the provision "4.9 Total Retirement and/or Severance Benefits". This provision, in its current form, does not accurately reflect the intent and practices in place by the Board and BHTA in regards to retirement benefits for employees hired prior to July 1, 2001. This provision was unable to be modified and clarified during the Negotiation window of September 15, 2023, to November 15, 2023, set by the General Assembly, because at that time, the School Corporation was unaware of the disconnect with regards to language as written and practices as administered to date by both parties.
3. **Contract Language Addendum:** Modified language for item "4.9 Total Retirement and/or Severance Benefits" is outlined as "Exhibit A" appended to this memorandum. The substantive language modification ensures that the Retirement Insurance Benefit (4.9.4) remains in effect for all certified employees hired before July 1, 2001, and clarifies the references to Section 4.9 (not Section 4.11).
4. **Term of MOU:** This MOU is effective upon the day and date last signed and executed by the duly authorized representatives of the parties to this MOU and shall remain in full force and effect for not longer than June 30, 2024.
5. **Signatures:** In witness whereof, the parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that each party has read, understood, and agreed to the terms and conditions of this MOU as set forth herein.

BLUFFTON-HARRISON METROPOLITAN SCHOOL DISTRICT


Mr. Bruce Holland, Board President

4/15/24
Date



Dr. Brad Yates, Superintendent

4/15/24
Date

BLUFFTON-HARRISON TEACHERS ASSOCIATION


Ms. Vicki Van Matre, BHTA co-President

4/10/24
Date


Mrs. Kim Mayer, BHTA co-President

4/10/24
Date

**PROPOSED LANGUAGE CHANGE FOR
RETIREMENT BENEFITS (SECTION 4.9 OF MASTER CONTRACT)**

4.9 Total Retirement and/or Severance Benefits

Total retirement benefits will be the sum of the following three (combination of 4.++9.1 + 4.++9.2 + 4.++9.3) components:

4.9.1 Length of Service

4.9.1.1 The teacher will receive one day's pay based on the current salary schedule for each year of creditable service as defined above.

4.9.1.2 To determine a day's pay, the teacher's base annual contract amount for the year just completed will be divided by the number of days in his/her regular teaching contract.

4.9.2 Unused Accumulative Sick Leave

4.9.2.1 The teacher will receive an additional amount of \$45.00 for each day of unused accumulative sick leave.

4.9.2.2 A maximum of one hundred eighty (180) days of unused accumulative sick leave will be used in computing this benefit.

4.9.3 Unused Personal Business Days - Effective with the personal days credited for the 1991-92 contract year, a separate accounting will be maintained for unused personal business days. At the time of retirement, additional severance will be paid at twice the amount allowed for unused accumulated sick leave (\$90).

4.9.4 Retirement Insurance Benefit - In addition to the retirement benefits above, a certified employee who has ten years of uninterrupted service as an employee with the Bluffton-Harrison Metropolitan School District and retires between the ages of fifty-five (55) and Medicare eligible, the Board shall contribute \$15,000 to the eligible retiree's post employment health reimbursement arrangement account.

4.9.5 401 (a) Annuity Plan - The Board will establish and maintain a qualified 401(a) Annuity Plan (hereinafter referred to as the "401(a) Plan") for all certified employees covered under this collective bargaining agreement. The 401(a) Plan contributions will commence with the 2002-2003 contract year and continue each year thereafter. The maximum contribution that will be made to the 401(a) Plan by the Board will be 1.75% of the Teacher's Base Salary (which includes any supplemental pay in excess of salary outlined in section 4.3 for informational purposes). All eligible employees will be 100% vested in the 401(a) Plan at the completion of ten (10) years of service with the Bluffton-Harrison Metropolitan School District. All contributions made by the Board to the 401(a) Plan on behalf of certified employees will be counted against the new money available to fund teacher salary and benefit increases each year as part of contract negotiations for certified employees.

For all certified employees hired before July 1, 2001, the 401(a) Plan replaces the current Total Retirement Pay Benefits (4.++9.1 through 4.++9.4). However, the Total Retirement Pay Benefits section so described in 4.++9.1 through 4.++9.4 will remain in effect until such time as a certified employee receives a greater return from the value of the 401(a) Plan than he or she would receive under the Total Retirement Pay Benefits section of the contract, except for employees described in the following paragraph. The value of the Board contributions and the

appreciation, if any, of the 401(a) Plan will be counted as an offset to the amount that the certified employee would have received had he or she retired under the current Total Retirement Pay Benefits section. In the event, due to market fluctuations, a certified employee's 401(a) Plan account experiences a loss, the Board's responsibility during the period prior to the expiration of the Total Retirement Pay Benefits Plan (4.++9.1 through 4.++9.43) will be the amount which the employee would have received under the Total Retirement Pay Benefits Plan less the amount previously contributed by the Board under the 401(a) Plan. **The Retirement Insurance Benefit (4.9.4) shall remain in effect for all certified employees hired before July 1, 2001.**

For the certified employees hired after July 1, 2001, the 401(a) Plan will replace the current Total Retirement Pay Benefits section. No provision of (4.++9.1 through 4.++9.4 will be available to employees hired after July 1, 2001. The severance and retirement for such certified employees will be limited to the balance in the account at the time of retirement, i.e., amounts contributed to the 401(a) Plan by the Board and interest or appreciation, if any. Employees hired after July 1, 2001, will be vested in the 401(a) Plan at the completion of ten (10) years of service with the Bluffton-Harrison Metropolitan School District.

The 401(a) Plan will:

Be subject to all applicable Internal Revenue Regulations.

Have no contract initiation fees charged to the employee.

Have no administrative Plan Document charge to the Board.

The 401(a) Plan will be valued effective the last contracted day of employment for the retiring employee.

In addition, for those certified employees for whom payments are yet scheduled to be made under 4.++9.1 through 4.++9.3, such payments will be made into health reimbursement arrangement account (excluding the applicable amount currently allowed by the Indiana State Board of Accounts which will be paid as salary and used in the respective teacher's final year ISTRF calculation) created at retirement in the name of the retiring employee. Such payment by the Board will be made in one (1) payment on or before January 15th following the year of retirement. If notification of retirement is provided to the superintendent on or before March 1st, such payment by the Board will be made in one (1) payment on or before July 15th of the year of retirement.

To avoid problems with the Indiana State Teacher's retirement fund, teachers are encouraged to notify the Superintendent's office of their retirement plans well before the end of the school year. This will also provide ample time to calculate Retirement Pay Benefits and to include those eligible benefits in a final paycheck. Plans to retire will be held in strict confidence if requested by any teacher. Any previous contract or agreement between the Bluffton-Harrison Metropolitan School District and the Bluffton-Harrison Teachers Association with respect to Retirement Pay Benefits will be considered null and void following the ratification of this agreement.

LANGUAGE CHANGE FOR RETIREMENT BENEFITS (SECTION 4.9 OF MASTER CONTRACT)

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certified employee would have received had he or she retired under the current Total Retirement Pay Benefits section. In the event, due to market fluctuations, a certified employee's 401(a) Plan account experiences a loss, the Board's responsibility during the period prior to the expiration of the Total Retirement Pay Benefits Plan (4.9.1 through 4.9.3) will be the amount which the employee would have received under the Total Retirement Pay Benefits Plan less the amount previously contributed by the Board under the 401(a) Plan. The Retirement Insurance Benefit (4.9.4) shall remain in effect for all certified employees hired before July 1, 2001.

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