

**MEMORANDUM OF UNDERSTANDING
RE: TRS PENALTY AVOIDANCE**

This Memorandum of Understanding ("MOU") is entered into by and between the **Board of Education of Community High School District No. 155, McHenry and Lake Counties** ("the District" or "the Board") and the **High School District 155 Education Association, IEA-NEA** ("the Association") (collectively, "the Parties").

The Parties wish to modify their 2022-2027 Professional Negotiation Agreement ("Agreement") to address a new legal precedent and therefore agree to amend the Agreement as follows:

**Article IV
Insurance**

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H. One-Year Paid Life Insurance for Retirees

Provided they do not trigger a TRS excess salary increase contribution (i.e., TRS 6% penalty), an employee who retires after completing step 20 or four (4) years of the retirement track will receive \$25,000 of term life insurance paid by the Board for the first year of retirement only.

**Article V
Compensation**

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I. Retirement Track

1. If a licensed staff member, having already been placed on step 20 for at least one year, submits an irrevocable letter of resignation effective at the end of the fourth school year following the year in which the resignation is submitted, then the licensed staff member will receive increases to the teacher portion of his/her salary (step 20 in the year of the teacher election) in the amount of 3% in the first subsequent year, 3% in the second subsequent year, 3% in the third subsequent year, and 3% in the fourth and final year of the teacher's employment. The letter of intent must be received by May 1st of the school year prior to the school year for which the retirement benefits will begin. (To begin this retirement benefit for the 2022-2023 School Year only, notice shall be given by July 1, 2022). Current staff members who have been previously placed on step 20 for 4 consecutive years prior to the 2022-2023 school year are not eligible for the aforementioned retirement provision.
2. A teacher who has elected to participate in the retirement benefit in the preceding paragraph may pick up additional pay through

stipends, itinerant travel, overloads, internal subbing, etc., but only to a maximum of 6% over their prior year's total creditable earnings.

3. The Board, in its sole discretion, may allow the teacher to rescind his/her letter of retirement because of serious illness or life changing circumstances, provided the teacher returns to the Board any nonexempt TRS creditable earnings paid to the teacher in excess of the amount the teacher would otherwise have received under the salary schedule for such year(s) in which the creditable earnings were paid. The Board's decision shall be final, non-precedential, and non-grievable.
4. Upon request, a teacher will be granted 100 sick leave days or enough to bring the teacher's total accumulated sick leave to 340 days, whichever is less, if the teacher meets the following eligibility requirements:
 - a. Must submit notice of irrevocable retirement by May 1st of the 5th school year prior to the school year of retirement (cannot submit sooner or later than 5th year) but such notice must be submitted no later than May 1, 2024 (with a retirement date of June of 2028) because this Section VI.4 will sunset after May 1, 2024, and the benefits will no longer be available; and
 - b. Must have at least 170 unused accumulated sick leave days with the District at the time of the request (not from previous districts that is banked with TRS).

If a teacher meets the above eligibility requirements, the sick leave days will be granted by June 30th of the school year during which he/she submitted the notice of irrevocable retirement. For example, if a teacher who has accumulated 200 sick leave days as of the 2022-2023 school year submits his/her notice of irrevocable retirement on May 1, 2023, with a retirement date of June 1, 2027, the District will grant him/her 100 sick leave days which will be added to the teacher's accumulated sick leave on or before June 30, 2023.

If a teacher who receives a sick leave gift retires before the irrevocable retirement date, the teacher will not be eligible for the 3% salary increases set forth in Section 1 above ("3% Plan"). If the teacher accepts a sick leave gift and is participating in the 3% Plan, but then retires earlier than the retirement date listed on the notice of irrevocable retirement, the teacher must repay to the District the difference between the 3% salary increases and what he/she would have been paid per this Agreement if he/she was not participating in

the 3% Plan.

5. If legislation requires the Board to incur additional expenses to fund insurance for retired teachers, the Board reserves the right to proportionately reduce provisions within the retirement track.
6. The Board has the right to revise any or all Community High School District 155 Retirement Incentive Plans at any time in the event changes in policies or legislation cause the Board to incur additional expenses and/or liabilities.
7. The Board reserves the right to determine the dates during which such plans or programs shall be open and other qualifying and procedural factors as allowed by law for implementing the plan but not inconsistent with the plan of program as adopted.

APPENDIX H Letter of Understanding

In the course of the negotiations leading to an agreement for the 2022-2023 through the 2026-2027 school years, the parties mutually accepted the following protocols:


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2. **TRS Penalty Avoidance:** To avoid TRS excess salary increase contributions (penalties):
 - a. **Reporting External TRS Creditable Service and Sick Leave to D155.** Each teacher, upon being hired, must provide the business office with a verified TRS statement indicating total creditable service and sick leave credit accumulated prior to being hired at D155. Teachers already employed by D155 as of May 21, 2024, must provide this same information by the first day of the 2024-2025 school year.
 - b. **Taking on Additional Athletics and Extra Duty Stipends in Certain Cases.** Teachers who have at least 30 years of TRS creditable service (including both D155 and any creditable service from prior employment) and who take on a new athletic or extra duty stipend that will cause the teacher's total TRS creditable earnings to exceed 6% over the prior year's creditable earnings will take on the new stipend position on a part-time/pro-rated basis so as not to exceed a 6% increase over the prior year's creditable earnings

Signature page to follow

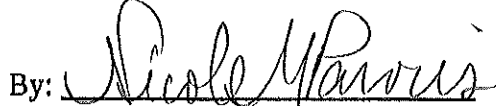
IN WITNESS WHEREOF, the Board and the Association have executed this Agreement on the dates written below.

High School District 155 Education Association, IEA-NEA

By: 
President


Date: 6/14/24

Board of Education of Community High School District No. 155, McHenry and Lake Counties

By: 
Board President

Date: 6/18/24

Attest

By: 
Board Secretary

Date: 6/18/2024

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