LETTER OF AGREEMENT
BETWEEN NORTH KITSAP SCHOOL DISTRICT NO. 400
AND NORTH KITSAP TRANSPORTATION EMPLOYEES NEA-WEA

This Letter of Agreement ("LOA") is made and entered into between the North Kitsap School District No. 400 ("District") and the North Kitsap Transportation Employees NEA-WEA ("Association"), collectively referred to as the "Parties."

WHEREAS, on July 4, 2025, the One Big Beautiful Bill Act ("Act") was signed into law;

WHERAS, Section 70202 of the Act, which went into effect January 1, 2025, requires employers to change the way that they report overtime to the Internal Revenue Service;

WHEREAS, the District is required to comply with Section 70202 of the Act;

WHEREAS, the Parties desire to clarify and modify Section 6.7.1 of the collective bargaining agreement ("CBA") to al gn with current District practice regarding overtime calculation and to aid the District's reporting requirements because of Section 70202;

WHEREAS, the District does not believe the change to Section 6.7.1 reflected herein will result in a change in practice for Association employees.

NOW, THEREFORE, the parties agree as follows:

1. Article VI, Section 6.7.1 of the CBA is replaced with the following:

   Any employee working more than forty (40) hours per week shall be compensated for all such time at the overtime rate of one and one-half times the regular hourly rate, or at time and a half of compensatory time. Paid holidays shall be considered hours worked for overtime calculation purposes.

2. This LOA is effective September 1, 2026.

3. This LOA shall expire on August 31, 2027.

NORTH KITSAP SCHOOL DISTRICT

Rachel Davenport, Superintendent

9/2/2026
Date

NORTH KITSAP TRANSPORTATION EMPLOYEES NEA-WEA

Denise Morgan, President

9/2/2026
Date