VEBA Plan Memorandum of Understanding

The Snoqualmie Valley School District ("Employer") has adopted the health reimbursement arrangement (HRA) plans offered and administered by the Voluntary Employees' Beneficiary Association Trust for Public Employees in the State of Washington ("Plan"). The Plan is designed with a variety of coverage options to allow for the maximum benefit permitted by applicable law. Employer agrees to contribute to the Plan on behalf of all employees in the **SVAPA** ("Group") defined as eligible to participate in the Plan, in accordance with Plan and regulatory limitations. The Plan must receive an enrollment file for each eligible employee to become a participant and become eligible for benefits under the Plan.

Contributions on behalf of each eligible employee (or former employee) shall be based on the following selected funding sources/formulas:

- ☑ **Sick Leave Contributions – Retirement <or Separation from Service>[1]:** Eligibility for contributions at retirement or separation from service is limited to employees who retire <or separate from service> with sick leave cash-out rights during the term of this Agreement.
- ☑ **Sick Leave Contributions – Annual:** Eligibility for contributions on an annual basis is limited to employees who have accumulated 180 days (or more if eligible[2]), not including any front-loaded days for the current contract year, of earned and unused sick leave. Contributions are based upon the number of sick leave days earned during the previous calendar year, less any days used during that calendar year.
- ☑ **Vacation, Personal and Other Leave Contributions – <Retirement or Separation from Service>:** Eligibility for contributions at retirement or separation from service is limited to employees who retire or separate from service and become eligible to receive a leave cash-out[3] during the term of this Agreement. Employer contributions shall include the cash-out value[3] of unused leave days (vacation, personal, other, etc.) accrued and available for cash-out upon retirement or separation from service per negotiated agreement or Employer policy.

The term of this Agreement shall be from May 1, 2026 to April 30, 2027.

Nina Gipson — 6/3/24

Signed for SVAPA — Date

6-5-26

Signed for SVSD — Date

[1] School districts may offer a sick leave cash out upon separation from service or retirement in accordance with RCW 28A.400.210. Educational Service Districts (ESDs) may only offer sick leave cash outs upon retirement in accordance with RCW 28A.310.490 and Employer policy or procedure.
[2] Employees whose employment contract exceeds 180 days may accrue sick leave up to their annual contract amount. Such employee groups may consider a higher eligibility threshold for annual sick leave contributions to the VEBA Plan.
[3] Pursuant to applicable written agreement, Employer policy, or procedure, so long as the cash-out value is not subject to individual choice.