

MEMORANDUM OF UNDERSTANDING

In order to meet the faculty obligation for reducing the 2009 - 2010 Hartnell Community College District (the District) budget deficit and in order to meet the California State-imposed budget reporting deadline of October 20, 2009 by the District Board of Trustees (the Board), the following is agreed to by the District and the Hartnell College Faculty Association (HCFA):

- 1) At the direction of the College Resource Allocation Committee and with the concurrence of the Financial Information Subcommittee, the amount of the faculty contribution in resolving the budget deficit for the 2009 – 2010 academic year, as amended, is \$627,129.
- 2) For the academic year 2009 – 2010, the District will offer all full-time HCFA members health coverage under the Monterey County School Insurance Group (MCSIG) plan Level III. The premiums for this coverage shall be paid 100% by the District. Individual members will be given the opportunity to elect coverage at a higher level by paying the difference between the Level III Premium and the higher level. It is agreed that the value of this contribution is \$286,000.
- 3) The District recognizes the value of the number of Full Time Equivalent Students produced by the action of the faculty in exceeding the class caps listed in the current contract and the revenue which accrued to the District as a result. It is agreed that the value of this contribution is \$148,000.
- 4) In the academic year 2008 – 2009 the cap on medical benefits stood at \$1,300 per month per full-time faculty member. In anticipation of the completion of a contract between the District and the HCFA in which the cap would be \$1,400 per month per full-time employee, the District paid the differential of \$100 per month. In the

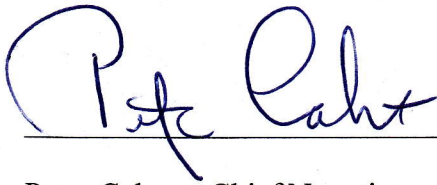
absence of a completed contract, this represents an over-payment by the District in favor of the faculty members. For full-time faculty members employed in the 2009 – 2010 academic year who were also full-time faculty in the 2008 – 2009 academic year, a deduction equal to the total amount of the over-payment for 2008 – 2009 plus any overpayment from the first month of the 2009 – 2010 academic year will be made from the salary payments made going forward. The schedule for repayment will be determined in consultation with the District Business Office. The deduction will be made in such a manner as to preserve the “pre-tax” dollar benefit to the employee. It is agreed that the value of this contribution is \$120,200.

5) In the 2008 – 2009 academic year and the 2009 – 2010 academic year the academic year was reduced from 176 days to 175 days. Although this calendar was approved by the District Board, no contract has been signed between the District and the HCFA recognizing this reduction. The effect of this is that the full-time faculty members worked for 175 days in 2008 – 2009, and are scheduled to work for 175 days in 2009 – 2010. This represents an over-payment by the District for work compensated for but not performed. For full-time faculty members employed in the 2009 – 2010 academic year who were also full-time faculty in the 2008 – 2009 academic year, a deduction equal to the amount of the over-payment for 2008 – 2009 plus the overpayment from 2009 – 2010 will be made from the salary payments made going forward. The schedule for repayment will be determined in consultation with the District Business Office. It is agreed that the value of this contribution is \$84,643.

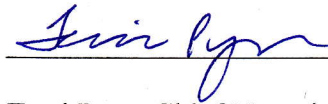
6) It is agreed that the sum of the contribution of the faculty as described in items 2 through 5 inclusive is \$638,843. It is agreed that the difference between the

contribution value and the contribution requirement is \$11,714. It is agreed that the value of \$11,714 will be considered as a credit to any future faculty requirement for budget deficit resolution in the event of currently unforeseeable changes in the budget year 2009 – 2010.

- 7) It is agreed that the contributions of the faculty in items 2 through 5 inclusive will represent the fulfillment of the obligation of the faculty to the resolution of the budget deficit in the academic year 2009 – 2010.
- 8) This Memorandum of Understanding is subject to ratification by the members of the HCFA and acceptance by the Board.



Peter Calvert, Chief Negotiator
Hartnell College Faculty Association



Terri Pyer, Chief Negotiator
Hartnell Community College District

Ratified by HCFA:
October 16, 2009

Ratified by the Board of Trustees:
October 20, 2009