

LETTER OF UNDERSTANDING
between
WALLED LAKE CONSOLIDATED SCHOOL DISTRICT
and
WALLED LAKE EDUCATION ASSOCIATION, MEA-NEA

The Association and District agree to extend the WLEA Master Agreement for one (1) year with the following changes:

Section 1:

- A. The WLEA agrees to an off-schedule reduction in Appendix I of three percent (3%) for the 2011-12 school year.
- B. The WLEA agrees to two (2) unpaid furlough days, to be used on snow days, for the 2011-12 school year. If there are no snow days during the year, the Association and the District will meet to determine alternative dates.
- C. All reductions will be equally divided over the employee's selected pay frame during the 2011-12 school year

Section 2:

- A. The WLEA agrees to an employee co-pay of ten percent (10%) on Healthcare (Plan A) to a maximum amount out-of pocket to the employee as follows:
 - Single: \$816.00
 - Two-Person: \$1649.00
 - Full-Family: \$1816.00
- B. All payments for benefits will be deducted pre-tax and will be equally divided over the employee's selected pay frame.
- C. The WLEA agrees to add the RX Saver rider to their current MESSA Healthcare Plan.

Section 3:

- A. The Association and District agree that should the state enact any reduction in wages during the 2011-12 school year, which are effective immediately, the state mandated reductions will replace the off-schedule wage reductions and the furlough days will be removed.
- B. The Association and District agree that should the state enact any reduction in benefits or increase in Association members' contributions to benefits, which are effective immediately, the state mandated reductions will replace the employee co-payments listed in Section 2-A.
 - a. If the state mandated employee co-pay for benefits is more than the amount listed in Section 2-A, the off-schedule wage reduction is reduced to 1.5% for the 2011-12 school year unless otherwise changed in Section 4.
 - b. This provision is not intended to open the contract.

Section 4:

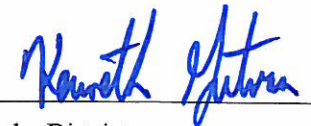
The Association and District agree that if the District's actual cut in the per pupil foundation allowance is reduced (State or Federal dollars) below the governor's proposed \$470, the off-schedule wage reduction listed in Section 1-A shall be reduced as follows:

\$300-\$251 – 2.5%	\$150 to \$101 – 1%
\$250-\$201 – 2%	\$100 to \$51 – .50%
\$200-\$151 – 1.5%	Less than \$50 – 0%

This Agreement shall not be extended orally, and it is expressly understood that it shall expire on August 31, 2012.



For the Association



For the District

Date July 6, 2011

Date July 7/2011