

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made the _____ day of _____, 2010, by and among the Chambersburg Area School District ("District") and the Chambersburg Area Education Association ("Association").

WHEREAS, the District and the Association entered into a Collective Bargaining Agreement (CBA) effective July 1, 2006 through June 30, 2010, and

WHEREAS, the CBA does not contain a provision for a retirement incentive, and

WHEREAS, the District and the Association desire to provide a limited retirement incentive for bargaining unit members for the 2009/10 school year only,

NOW THEREFORE, with the intent to be a binding agreement between the parties, agree to the following addition to Article VII, Section 7.4 Payment for Accumulated Sick Leave:

For those professional employees choosing to retire on or before the conclusion of the 2009/10 contract year, the District shall contribute an additional sum of money into the employee's 403(b) account. The additional money will be determined as follows: the employee's per diem rate at the time of retirement (i.e. per diem based on the employee's base salary as listed on the 2009/10 memo distributed by the Human Resources department at the beginning of the school year) times the number of years of service in PSERS. The additional contribution shall be made within 30 days of the employees last day of work.

For those professional employees notifying the District of his/her retirement on or before the conclusion of the 2009/10 school year, retirement shall mean an employee leaving employment in the Pennsylvania public school system and either vesting his/her pension or receiving a pension check from PSERS. This will make the employee eligible to receive the contribution for accumulated sick leave as identified under Section 7.4 of the CBA and the additional money identified in this MOU.

Any bargaining unit member retiring from the District on or before the conclusion of the 2009/10 school year, and serving notice no later than February 1, 2010 of his/her intent to retire, shall receive an additional employer contribution of \$2,000 paid into his/her 403(b) account. Any bargaining unit member retiring from the District on or before the conclusion of the 2009/10 school year, and serving notice no later than March 15, 2010 of his/her intent to retire, shall receive an additional employer contribution of \$1,000 into his/her 403(b) account. The additional contribution shall be made within 30 days of the employee's last day of work. This provision is in addition to any other benefit the bargaining unit member is entitled to receive under the CBA.

This is a non-elective contribution. No cash option is available.

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first above written.

ATTEST

CHAMBERSBURG AREA SCHOOL DISTRICT

Secretary

President

Date

ATTEST

CHAMBERSBURG AREA EDUCATION ASSOCIATION

Secretary

President

Date