

ONTARIO-MONTCLAIR SCHOOL DISTRICT
Ontario, California

May 27, 2009

MEMORANDUM OF UNDERSTANDING

FRINGE BENEFIT OPT OUT ALLOCATION PLAN

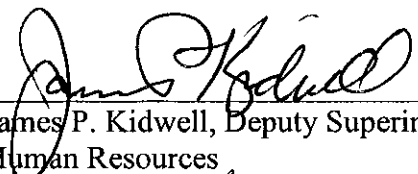
It is hereby agreed and understood by and between the Ontario-Montclair School District and the Ontario-Montclair Teachers Association to pilot the Fringe Benefit Opt Out Allocation Plan for the 2009-2010 school year.

Bargaining unit members (full-time and part-time) who can prove employer provided group coverage from another source may opt out of OMSD group medical in exchange for a cash bonus of \$1,500 (pro-rated for part-time bargaining unit members). This bonus will be in lieu of the cash option otherwise available. Bargaining unit members who opt out will still be required to take dental insurance. Any additional insurances will be paid for by the unit member. A minimum participation of 5% of all unit members will be required to implement this program. Any unit member who has a benefit eligible spouse or benefit eligible registered domestic partner shall not be allowed to benefit from the fund. A maximum of 20% of all unit members will be allowed to opt out.

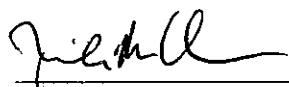
Monies saved will be placed into an account to be used to offset the cost of family coverage. 10% of the total amount will be set aside to provide for unit members who have a qualified family status change mid year and to pay for payroll costs associated with those who opt out. The remaining fund will be divided equally among those members taking family coverage. Any monies left over at the end of the year will be carried over to next year for the benefit of the group.

There will be a deadline of May 30, 2009, for unit members to opt out as well as for members who wish to have family coverage to enroll and participate. Unit members must complete a waiver form. Proof of coverage from another employer provided group insurance must be verified by a letter from that employer on company letterhead confirming coverage for the unit member.

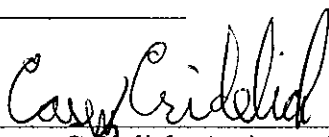
The terms and conditions of this agreement apply for the 2009-2010 school year. All other issues related to Article XIX will be governed by the Collective Bargaining Agreement between the Ontario-Montclair School District and the Ontario-Montclair Teachers Association.


James P. Kidwell, Deputy Superintendent
Human Resources

6/17/09
Date


Rick McClure
President, OMTA

6/17/09
Date


Casey Cridelich, Assistant Superintendent
Business Services

6-17-09
Date