

**LANSING SCHOOL DISTRICT
TENTATIVE AGREEMENT
AFSCME DRIVERS
August 27, 2012**

A. Insurance.

1. Effective July 1, 2012, the Board shall pay no more for medical benefits than these monthly amounts: Single \$458.33; Two Person \$916.66; Family \$1,250.00. The annual amount of the Board's contribution towards medical insurance shall not exceed Single \$5,500; Two Person \$11,000; Family \$15,000.00. The medical benefit plan coverage year is July 1, 2012 through June 30, 2013.
2. The annual limitations identified above shall be prorated for drivers who begin work after the start of the scheduled work/school year or terminate employment before the year is completed. Such annual amounts shall also be prorated for employees who change subscriber categories during the medical benefit plan coverage year.
3. An open enrollment shall occur during September 2012, with the selected plans to be effective November 1, 2012. The medical plans offered during open enrollment shall be PHP Plans #1, PHP #5 and Cap Plan A. The benefits and coverage are as defined in a handout dated June 2012. The parties agree that the insurance contract and underwriting rules shall govern benefits and coverage and that the Board's obligation shall be limited to paying the premiums described above.
4. In the event that AFSCME or another bargaining unit participating in PHP medical plans identify comparable plans by another provider at a lower cost, the Board agrees to meet and discuss the alternate plan and to consider whether the advantages of any alternate medical plan(s) outweigh the administrative burdens of a mid-year change in plan benefits and coverage. AFSCME agrees that the District shall not be required to offer more than two different Health Care providers, district-wide.
5. Eligible employees electing medical insurance shall pay the difference between the Board's contributions defined within paragraph 1 above, and the actual cost of the medical plan selected, via payroll deduction in accordance with the District's section 125 plan.
 - a. Medical Plan. The current 10% deduction amounts will not be paid in September and October, 2012. Only the catch up deductions listed in section b, below, will be deducted starting on the second pay in September and in October 2012. As of November 2012, all driver's deductions shall be adjusted to reflect their share of the cost of the medical plan selected (if any) during open enrollment. The amount deducted will account for their share of the cost through June 30, 2013.
 - b. Catch-up. In addition, the amount an employee should have paid for medical insurance premium sharing between July 1, 2012 and November 1, 2012 will be known as their "catch up." For all employees within the AFSCME Drivers unit, any catch up

due shall be divided into twenty (20) payments and this catch up deduction will start with the last pay period in September and continue for the remaining 19 full pays that constitute a regular ten month employees' work year. The catch up deduction will be separately identified on the employees' pay stubs and is due every one of the 20 payroll periods just referenced.

6. Eligible drivers electing non-medical benefits shall continue to pay 10% of the cost of the monthly premiums and the Board shall continue to pay 90% of such costs in the manner deducted during the 2012-2013 year, provided that all bargaining unit members throughout the District receiving non-medical benefits pay at least 10% of their non-medical benefit costs.
7. Effective as of July 1, 2012, services/costs incurred will not be eligible for District reimbursement of out-of-pocket deductible costs. Eligible employees have until September 30, 2012 to submit reimbursement for eligible costs incurred through June 30, 2012.
8. The no double health insurance coverage provisions within the AFSCME agreement shall continue as written.

B. Cash In Lieu

In the event that the number of eligible employees who elected family medical insurance during 2011-2012 (or the equivalent thereof) is reduced by at least 3 by the end of the September 2012 open enrollment, the monthly cash in lieu payment shall increase to \$200/month starting November 1, 2012.

C. Wages

Effective the date of ratification of this agreement by both the Board and Union, employees shall advance one step on the wage schedule. In addition, each bargaining unit member employed during 2011-2012 in an AFSCME driver position who is actively employed as of August 27, 2012, bid day, shall receive a one-time stipend, to be paid with the last payroll in September 2012. The stipends to be paid are set forth in Schedule A. At their choice, drivers may apply all or none of the stipend amount to their catch up amount (subject to IRS rules). The choice shall be indicated to payroll no later than September 7, 2012. Employees who do not indicate a choice will have all of the stipend applied to their catch up amount, if any is due. If there is no catch up due, or after applying the stipend, there is a remaining amount, that will be paid and treated per IRS rules as if regular wages.

No other wage schedule, step increases or stipends will be paid during 2012-2013.

D. Furlough Days

During 2012-2013, drivers shall accept two unpaid furlough days: Memorial Day, 2013 and February 15, 2013. If the District schedules driving on February 15, 2013, in the

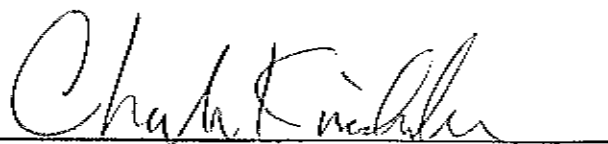
case(s) of any driving that is not a driver's regular route, or filling in for someone else's regular route, drivers will be eligible to drive those trips, etc. and still be considered to have met the furlough requirement. The assignment of trips, etc. on that day, if any, will follow the regular rotation of that type run/trip.

E. 2011-2012 Audit Excess

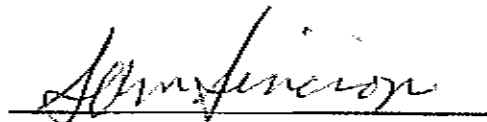
All AFSCME bargaining unit members and AFSCME relinquish any and all rights to the "off schedule" lump sum payment detailed within the 2011-2012 agreement (informally referred to as the Super Team agreement.)

F. Duration

The parties agree that these provisions expire August 31, 2013, and the Board shall not thereafter assume or pay any financial obligations related to salary, insurance and furlough days in excess of those specified herein, except in accordance with a mutually ratified successor agreement.



AFSCME DRIVERS



Lansing School District

Dated: 08/27, 2012

Dated: 8-28-12, 2012

Schedule A

After bid day, those who meet eligibility requirements set forth above will receive a share of the stipend "pot" which is \$46,770.27. An individuals' share will be based on their FTE for 2011-12 as provided by the District in the step increase analysis document. Otherwise eligible employees who were not on the seniority list for any part of 2011-2012 or who worked less than a half year shall receive a share based on 50% of their FTE. It is understood that the TA as presented for member ratification will have a table of hours with associated dollar amounts (like the AFSCME Food Service Schedule B, see TA of 8/20/12) instead of this narrative description which is provided only for the convenience of the negotiators.