

Letter of Understanding

Between

AFSCME Local 3299 and UC Santa Cruz

Explanation of Article 36 University Benefits Agreement

To ensure the parties share the same understanding of the intention of the Article 36 University Benefits Agreement, the parties agree to the following interpretations. Also, this letter of understanding incorporates and replaces the "Side Agreement, University Benefits – Article 36" contained in the 2009-2011 labor agreement.

Section 1. Definitions

"AFSCME Skilled Crafts employees" refers to all employees in the bargaining unit.

"Eligible employees" refers to eligibility as defined by the applicable health and retirement plan.

"UC health plans" refers to active and retiree health insurance plans and employee and retiree contributions to the retirement plans.

"Terms and conditions" refers to but not limited to: timing and amount of required employee contribution, such as when employees begin paying increased employee contributions to health and retirement plans and how much they pay.

Section 2. Post Employment Benefits

With respect to the 2013 post-employment benefit changes, the parties agree that upon ratification of this agreement, the AFSCME Skilled Crafts employees who are hired, rehired, or who become UCRP eligible on or after July 1, 2013 will be covered by the UCRP 2013 Tier and will be subject to the new Graduated Retiree Health Program Eligibility, consistent with how AFSCME Service unit employees are treated.

AFSCME Skilled Crafts employees in the 1976 Tier will contribute 6.5% (minus \$19) and AFSCME Skilled Crafts employees in the 2013 Tier will contribute 7%.

If the AFSCME Service unit later negotiates modifications to the 2013 Tier, retiree health eligibility, or employee contribution rates to the UCRP, those changes will apply equally to the AFSCME Skilled Crafts employees.

Section 3. Health Benefits

With respect to the 2014 UC health plans, the parties agree that upon ratification of this agreement, the AFSCME Skilled Crafts employees will participate in and pay the 2014 contribution rates even though the AFSCME Service unit may be paying different rates for


certain plans while they are still in negotiations. If the AFSCME Service unit later negotiates modifications to the UC health plans benefits or contribution rates for 2014 or in later years of this agreement, those modifications will apply equally to the AFSCME Skilled Crafts employees.

Section 4. Release Time for Systemwide Bargaining


At the request of AFSCME, the University will provide paid release time for one union designated bargaining unit employee, consistent with Article 44, to attend meet and confer sessions between AFSCME Local 3299 and the University of California Office of the President, on the dates that the parties have planned to negotiate health and/or retirement benefits covered by Article 36 – University Benefits.

Section 5. Expiration of the Letter of Understanding

This letter of understanding will expire with the successor agreement to the 2011-2017 collective bargaining agreement between AFSCME Local 3299 and UC Santa Cruz.



For AFSCME Local 3299



Date



For UC Santa Cruz



Date