MEMORANDUM OF UNDERSTANDING

Article 24-Salary for Faculty Employees
Appendices A, B, B.1, C, D, D.1, E, G-Salary Schedules
Article 16-Leaves
Article 22-Paid Benefits
Article 23A-Paid Benefits for Retired Employees Hired After July 1, 1997
Article 25-Special Assignments
Article 38-Professional Achievement Awards

This Memorandum of Understanding is entered into by and between the Foothill-De Anza Community College District (“District”) and the Foothill-De Anza Faculty Association (“FA”).

This memorandum serves to clarify the terms and conditions of the verbal agreement between the Board represented by District Chief Negotiator Jane Enright and the Faculty Association represented by FA Chief Negotiator Anne Paye for the 2007-08 compensation settlement.

The parties agree that the following provisions shall constitute the basis of a tentative agreement on Article 24, salary, and on the costs associated with the other articles identified herein. The provisions of this MOU shall be implemented as noted subsequent to ratification by the faculty and approval by the Board.

The 2007-2008 compensation settlement includes the following:

1. Salary adjustment of 5.53% (equivalent to the State-provided 4.53% COLA plus 1%) on all salary schedules, Appendices A, B, B.1, C, D, D.1, E, G.

   Terms: The salary adjustment shall be retroactive to July 1, 2007. The adjustment shall commence with the December 2007 pay period, which shall also include the retroactive pay.

2. An additional salary adjustment of 1% on all salary schedules, Appendices A, B, B.1, C, D, D.1, E, G.

   Terms: The additional salary adjustment shall be contingent upon the District's ability to sustain the 2% growth indicated in the Fall quarter through the academic year.

   If funded growth is below the threshold stated above, the salary adjustment shall be one-half of the funded growth percentage.

   The additional salary adjustment shall be retroactive to July 1, 2007 and shall be paid in a lump sum in the June 2008 pay period.

3. The parties acknowledge that, in order to provide the 5.53% adjustment, the District is subsidizing the projected increase in 2007-08 health benefits from the Health Benefits Reserve and using the undesignated ending balance identified in the 2007-08 Approved Budget to support approximately 2.5% of the salary adjustment. The parties further acknowledge that the District must, over the next three-year period, identify funding to sustain the ongoing cost of this adjustment. Potential sources of revenue for this purpose may include undesignated year-end balances and on-going funds such as growth funding, state allocated COLA, and any new revenue sources.

4. Effective January 1, 2008, the District shall increase the maximum earnings for Extended Sick Leave (Article 16) and for Long Term Disability Insurance (Article
22) from 66.66% of salary up to a maximum of $4,300 per month to 66.66% of salary up to a maximum of $6,000 per month.

5. Effective September 24, 2007, the compensation for conducting an official evaluation under Article 25.6 shall be increased to two hundred dollars per evaluation. The increase shall commence in December 2007 and retroactive compensation, if any, shall be included in the December pay period.

6. The District shall set aside $250,000 from the Health Benefits Reserve as a Post-1997 Faculty Account to demonstrate a commitment to developing retiree medical savings options for faculty hired on or after July 1, 1997. The parties agree that any such options shall not increase the District’s unfunded retiree benefits liability. The parties agree that funding for the Account shall not be precedent setting and shall be limited to 2007-08 only unless otherwise agreed by the parties. The District and FA shall commence discussion of potential plans in February 2008.

7. District and FA shall conduct a review of the Professional Achievement Award and longevity pay during the 2008-09 academic year to determine whether the PAA should be changed to a longevity pay system, remain as an award system subject to COLA adjustments, or remain unchanged.

Dated: November 28, 2007