

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT (hereinafter the "Agreement") dated November ____, 2005, is entered into by and between the PHILLIPSBURG EDUCATION ASSOCIATION, INC. (the "Association"), and the PHILLIPSBURG BOARD OF EDUCATION (the "Board"), and their respective successors, predecessors, insurers, officials, officers, directors, employees, agents, representatives and attorneys.

WHEREAS, the Board and the Association are parties to a collective negotiations agreement for the period of July 1, 2003 through June 30, 2006 (the "Agreement"); and

WHEREAS, the Agreement, at Article XI, Section A, entitles teachers to leaves of absence with full pay up to two (2) days in any contract year, with no reason given; and

WHEREAS, the Board and Association wish to establish a sick leave bank, to provide economic relief for employees who, by reason of prolonged absence caused by serious medical conditions, are likely to suffer financial hardship, through voluntary donations, by the teachers, of their non-statutory days of leave; and

WHEREAS, the Board is authorized by law to create and maintain a sick leave bank, provided that the bank does not interfere with the Board's right to review each extension on a case-by-case basis pursuant to N.J.S.A. 18A:30-2 or violate the requirements of N.J.S.A. 18A:30-6 regarding the definition of school employees' sick leave entitlements and that payment for such leave reflect the deduction of the cost of a substitute; and

WHEREAS, the establishment of such a sick leave bank within the above parameters is a mandatory subject of negotiations pursuant to the New Jersey Employer-Employee Relations Act, N.J.S.A. 34:13A:1 et seq.; and

WHEREAS, following good faith negotiations, the Board and the Association have agreed to establish a sick leave bank; and

WHEREAS, the parties hereto wish to memorialize their agreement in this Memorandum of Agreement;

WITNESSETH:

NOW, THEREFORE, the parties hereto agree as follows:

1. *Sick Leave Bank Established.* The Board and the Association agree to establish a sick leave bank to provide compensable leave coverage to teachers who are absent for an extended period of time due to catastrophic illness or injury. This bank shall operate in accordance with the Policy attached hereto as Exhibit "A." The Board and Association agree that this Policy will be implemented effective immediately upon its full execution, and will remain in effect until and unless the parties hereto agree, in writing, to its termination or modification.

2. *No Admission of Liability or Precedent.* This Agreement shall not constitute, be interpreted, construed or used as evidence of any admission of fact, law, responsibility, wrongdoing or liability on the part of the Board or the Association and shall not be referred to in any subsequent proceeding by any party other than to enforce the express terms of this Agreement.

3. *Complete Agreement.* This Agreement constitutes the full and complete agreement of the parties hereto with respect to its subject matter, that it supersedes any prior or contemporaneous representations, whether oral or written, and that it may not be modified or amended except by a written instrument signed by all parties hereto.

IN WITNESS HEREOF, THE PARTIES HERETO SET THEIR HANDS
THIS _____ DAY OF November, 2005.

PHILLIPSBURG EDUCATION ASSOCIATION, INC.

By: _____
Barbara E. Alderfer
President

ATTEST

PHILLIPSBURG BOARD OF EDUCATION

By: _____

Roderick Pianelli

President

ATTEST

EXHIBIT A

PHILLIPSBURG BOARD OF EDUCATION

SICK LEAVE BANK POLICY

A sick leave bank has been established to provide compensable leave coverage to professional staff members covered by the collective negotiations agreement ("Agreement") between the Phillipsburg Board of Education and the Phillipsburg Education Association (Teachers Unit) who are absent for an extended period of time due to serious illness or injury. This bank shall operate in accordance with the following rules and regulations:

1. Eligibility: Only permanent full-time and permanent part-time employees are eligible to receive donated leave. In order to be eligible to receive donated leave, an employee, at the time of receipt, must have:

- a. Been suffering from a catastrophic illness or injury as defined below;
- b. Exhausted all earned and accumulated leave time; and
- c. Generally been absent a minimum of thirty (30) consecutive workdays though this requirement may be waived on a case-by-case basis where the nature of the illness or injury warrants.

2. Definition of Catastrophic Illness or Injury: For purposes of this Policy, the term "catastrophic illness or injury" shall mean:

Catastrophic Illness or Injury

A serious debilitating personal illness or injury which incapacitates the employee and which causes a loss of income, due to the employee having exhausted all available accumulated sick, personal, and emergency leave days.

A catastrophic illness or injury is defined as a serious illness, injury, impairment, or physical or mental condition that generally is present for a minimum of thirty (30) consecutive calendar days, and that involves:

- a. A period of illness or injury or treatment connected with inpatient care (e.g., an overnight stay) in a hospital, hospice, or residential medical care facility); or
- b. A period of illness or injury that is long-term due to a condition for which treatment may be ineffective (e.g., stroke, terminal disease, etc.); or
- c. An absence to receive multiple treatments (including any period of recovery therefrom) either for restorative surgery after an accident or other injury, or for a chronic condition, i.e., cancer or kidney disease.

Where the nature of the illness satisfies either condition a, b, or c above, but does not meet the thirty (30)-day minimum requirement, the Board may waive the minimum absence requirement where circumstances are appropriate.

3. Requesting Use of Sick Leave Bank: An employee who is eligible to utilize the sick bank must submit a written request for such use to the Superintendent or his designee. The request shall outline:

- a. Nature of the problem
- b. Reason(s) for requested use, and
- c. Shall include medical verification of catastrophic illness or injury meeting the definition set forth in Section 2 above.

Verification of continued illness or injury will be required at reasonable intervals. The Board reserves the right to have the employee examined by medical personnel. Any such examination may be made by a physician or institution designated by the Board, in which case the cost thereof and of all laboratory tests and fluoroscope or X- ray procedures shall be borne by the Board or, at the option of the employee, they may be made by a physician or institution of the employee's own choosing, approved by the Board, in which case said examination shall be made at the employee's expense.

4. Use of Donated Leave: All donated leave must be used in whole-day units. Holidays falling during the period of use of donated leave will be paid. Sick leave and non-statutory leave will continue to be earned by employees while using

donated leave. Eligible employees may use a maximum of 100 days from the sick leave bank during any two (2)-year period. Eligible employees approved for use of sick leave bank days may use such days until the end of the school year in which such use commenced, provided the maximum allowable days are not exceeded prior to the end of that school year. Beginning with the new school year, an employee who is unable to return to work must exhaust his/her accumulated days for that new school year before drawing from the sick leave bank. If at any time during an approved eligible employee's absence, the employee returns to work, the employee would be required to reapply for permission to use sick leave bank days for any subsequent absences that school year or in following school years. Eligible employees approved for the use of sick leave bank days will have such days applied first to cover unpaid absences during the thirty (30) day waiting period set forth in Section 1.c., above.

5. Donating Leave: Employees may voluntarily donate annually up to a maximum of two (2) personal leave days, accrued pursuant to the Article XI, Section A of the Agreement, to the sick leave bank. A donated day will be considered a full day whether contributed by a full-time or part-time employee. Donated days may be used by any eligible employees who are approved by the Board under Section 5 of this Policy. Donors may not limit the use of their donated days to specific employees. All leave donations must be approved by the donors by completing and signing a copy of the Sick Leave Bank Donation Form attached to this Policy. The completed form is to be provided to Superintendent or his designee. All donations are irrevocable and donor employees may not receive compensation in any form for the donation of leave. All days donated to the Sick Leave Bank will remain in the Bank from year-to-year if unused.

6. Board approval: An employee's use of time from the sick leave bank shall be subject to the formal approval of the Board at a public meeting. The Board reserves the right to grant or deny extended sick leave on a case-by-case basis pursuant to N.J.S.A. 18A:30-6.

7. Compensation: Employees approved by the Board to use sick leave bank days shall receive their daily salary *C/200th* of annual salary), less the pay of a substitute as provided for in N.J.S.A. 18A:30-6, for all days of absence for which there is a deduction of one (I) day from the sick leave bank.

8. Waiver: Eligible employees approved to use sick leave bank days are responsible for determining any impact the grant of such days have upon any insurance or pension programs in which they are enrolled. The use of sick leave

bank days by eligible employees will constitute their free and voluntary waiver of the Board of Education and the Phillips burg Education Association, and their members, officials, employees, attorneys, representatives, agents and assigns of any claims relating to any financial, tax, pension or other impact of any kind whatsoever caused solely by the employee's use of sick leave bank days. Also, neither the Board nor the Association make any representations regarding the tax consequences of any donations to the sick leave bank. Both eligible employees and donating employees are referred by the Board and the Association to the employees' personal tax/insurance/pension advisor(s) for any advice regarding the impact of use of or donation to the sick leave bank prior to their using any sick leave bank days. Finally, by donating any days to the sick leave bank, donating employees voluntarily and freely waive any claims they may have against the Board then or in the future to claim they should receive those days back or be given other days in place of days they have donated to the sick leave bank.

PHILLIPSBURG BOARD OF EDUCATION

SICK LEAVE BANK DONATION FORM

Name of Donating Employee: _____

Position: _____

I wish to donate _____ of my unused personal days to the Phillipsburg School District Sick Leave Bank. I understand and agree that this donation is irrevocable and is subject to the requirements and restrictions set forth in the Phillipsburg School District Sick Leave Bank Policy.

Signature: _____

Date: _____