

LETTER OF AGREEMENT
between
THE BOARD OF EDUCATION OF ANN ARBOR PUBLIC SCHOOLS
and THE ANN ARBOR EDUCATION ASSOCIATION

The Ann Arbor Public Schools Board of Education (the "District" or "Board") and the Ann Arbor Education Association (the "Association") hereby agree as follows regarding the application and implementation of the Michigan Department of Education's (the "MDE's") Student Loan Repayment Program (the "Program") within the District:

1. The State of Michigan has allocated Two Hundred Twenty-Five Million Dollars (\$225,000,000.00) to all school districts for the purpose of implementing a Student Loan Repayment Program. Only school districts may apply for this grant through the MDE.
2. The parties understand that the State of Michigan solely funds the Program and solely establishes the terms, conditions, and eligibility criteria for the Program.
3. The District agrees that it will apply for this grant.
4. If the District is granted money from the MDE pursuant to the grant application, the District will allocate up to Two Hundred Dollars (\$200.00) per month to eligible participants.
5. "Eligible participants" are bargaining unit members who meet the definition of an "eligible participant" as defined in the State School Aid Act, MCL 388.1627k. Pursuant to MCL 388.1627k(8)(b), "eligible participant" means "an individual who is participating in a federal student loan repayment program described in subsection (3) and who is working 32 hours or more per week at a district or intermediate district in a role in which the individual works directly with pre-K to 12 students, including, but not limited to, educators, counselors, social workers, psychologists, reading specialists, librarians, and school administrators who work directly with students." Eligible participants may only receive funding through the Program if the member continues to meet the criteria of an eligible participant. Eligibility is subject to change based on a change in the law and/or guidance from the MDE.
6. Any disputes with the Program shall vest exclusively with the State of Michigan and not the District. The Association and bargaining unit members agree that if there are any issues with the administration of the Program, the Association and/or bargaining unit member will take the issue directly to the State of Michigan, not the District.
7. The Association agrees that the District may pre-condition bargaining unit member participation in the Program on the member executing an individual waiver of claims and individual indemnification agreement developed by the District.
8. The District will attempt to follow all applicable tax rules; however, it is the employee's responsibility to seek professional tax advice and pay any applicable taxes on their own. The District and the Association recommend that bargaining unit members consult with their attorney or certified public accountant regarding any tax implications before agreeing to participate in the Program.

9. If any contributions made to an individual employee through the Program are later deemed not reimbursable to the District through the Program because of the employee's ineligibility, the District may withdraw such contributions from the employee's paycheck through payroll deductions. In the event that the contributions are not reimbursable to the District for reason(s) other than the eligibility of individual employees, the District agrees to consult with the Association before taking any action.
10. It is the employee's responsibility to cover any additional District costs beyond the administration of the Program, including, but not limited to, payroll taxes and/or retirement obligations, if they become applicable.
11. The duration of the Program is exclusively determined by the State of Michigan and shall cease when funding is no longer available, the law is changed and/or repealed, or the District otherwise determines to no longer participate in Program. The Program is not subject to the grievance procedure.
12. The Association agrees to not challenge any administrative regulations adopted by the District regarding the implementation of the Program. The District will provide guidance for employee ineligibility due to working less than 32 hours per week.
13. The Association agrees that any willful misrepresentation on behalf of an employee to the District regarding eligibility to receive funds pursuant to the Program constitutes sufficient grounds for discipline, up to and including termination of employment.
14. In order to be eligible for a month's payment, the employee must work 32 hours a week for the entire month. Employees will only be given credit on increments at a full one (1) month. Credit will not be given for any partial months worked. Periods when employees are not expected to work (e.g. summer months, school vacation periods) are considered as periods worked for the purposes of this Letter of Agreement.
15. The District is not responsible for any employee's missed deadlines, verification, and/or incomplete documentation that results in any subsequent loss of grant funding for the employee.
16. Since participation in the Program is discretionary on the part of the District, the Association and participating employees agree to a covenant not to sue the District regarding administration of the Program.
17. If the Program changes due to a change in the law and/or guidance from the MDE, or the District's understanding of the Program changes, the District will assess the impact of such change and determine whether continued participation in the Program is warranted. The District agrees that all funds received from this Program from the State of Michigan shall be distributed to eligible participants. The District agrees to provide the Association and bargaining unit members at least ninety (90) days' notice if it determines to no longer participate in the program.
18. This Letter of Agreement includes all items and issues specifically agreed to by the District and the Association pertaining to the subject matter addressed herein, and this agreement does not alter any other terms or conditions of the Master Agreement. This agreement does

not create precedent to positions the District and the Association may have taken in the past or may take in the future.

Ann Arbor Public Schools



4/2/24

Date

The Ann Arbor Education Association



4-2-2024

Date