

Policy Type: Human Resources
Policy Title: Retirement Medical Expense Plan (VEBA)
Policy Number: HR-24

Purpose:

To establish a policy for administering a post-retirement medical benefits plan for faculty, administrative/exempt and classified employees using funds from sick leave buyouts at retirement, as authorized by RCW 28B.50.553 and RCW 41.04.340. Such plans are commonly called “VEBA” plans (Voluntary Employees' Beneficiary Association), and the plan for the Washington Community and Technical Colleges is the VEBA CTC Plan.

Scope:

All employees who accrue sick leave and who belong to one of the following employee groups:

1. Faculty (full-time and adjunct)
2. Administrative and Exempt Staff
3. Classified Staff; represented and non-represented

Definitions:

Retirement means termination of employment by an eligible employee due to age and/or years of service criteria as determined by the applicable retirement plan, or retirement due to a disability (as determined by employer and/or applicable retirement plan after consideration of a comprehensive medical evaluation).

Procedure:

When the VEBA CTC Plan is in effect for an eligible employee group, all eligible retiring employees in that group who have accrued unused compensable sick leave at retirement are required to participate in the VEBA CTC plan. There is no minimum accrued sick leave requirement to participate in VEBA CTC at retirement. In accordance with Washington State’s Attendance Incentive Program, as delineated in RCW 28B.50.553 and RCW 41.04.340, contributions to the Plan made on behalf of each eligible employee shall be at a rate equal to one day’s current monetary compensation of the employee for each four full days of accrued compensable sick leave.

Eligible employees must sign an enrollment form, which includes a “hold harmless” agreement, prior to leaving employment or employee forfeits all rights for any compensation for unused compensable sick leave.

The VEBA CTC Medical Expense Plan at Green River Community College shall be administered as follows:

Full-time and Adjunct Faculty:

The VEBA CTC Plan for full-time and adjunct faculty shall remain in effect for all eligible employees in this group unless suspended by written notification of the Green River United Faculty Coalition Exclusive Representative to the Vice President of Human Resources by December 28 of any given year for the next tax year, as outlined in the Memorandum of Understanding between Green River Community College and the Green River United Faculty Coalition.

This notification shall take the form of a recommendation to the Vice President of Human Resources, acting on behalf of Green River Community College, with whom the final decision rests. If suspended for a tax year, the Plan will automatically be reinstated for the next tax year unless again suspended following the same procedure outlined earlier in this paragraph.

Administrative/Exempt Employees:

Green River Community College has adopted the VEBA CTC Plan for this employee group and shall make contributions on behalf of all employees in the group who are eligible to participate in the Plan. The Plan shall automatically remain in effect for all tax years unless a group vote is called for by a retiring member of the group. This call to vote must be in written form by a retiring member and must reach the Vice President of Human Resources by November 1 of the current year for the next tax year. The vote shall be conducted by the Office of Human Resources and ballots counted by at least one employee group member and the Vice President of Human Resources or his/her designee. The outcome of the vote shall take the form of a recommendation to the Vice President of Human Resources with whom the final decision rests. If the Plan is suspended by decision of the Vice President of Human Resources, acting on behalf of Green River Community College, the Plan will automatically be reinstated the following tax year unless again suspended by this same procedure.

Classified Represented Employees:

The VEBA CTC Plan for WFSE represented employees shall remain in effect for all eligible employees in this group unless suspended by written notification of the WFSE exclusive representative to the Vice President of Human Resources by December 28 of any given year for the next tax year, as outlined in the Memorandum of Understanding between Green River Community College and the Washington Federation of State Employees. This notification shall take the form

of a recommendation to the Vice President of Human Resources, acting on behalf of Green River Community College, with whom the final decision rests. If suspended for a tax year, the Plan will automatically be reinstated for the next tax year unless again suspended following the same procedure outlined earlier in this paragraph.

Classified Non-represented Employees:

Green River Community College has adopted the VEBA CTC Plan for this employee group and shall make contributions on behalf of all employees in the group who are eligible to participate in the Plan. The Plan shall automatically remain in effect for all tax years unless a group vote is called to vote by a retiring member of the group. This call to vote must be in written form by a retiring member and must reach the Vice President of Human Resources by November 1 of the current year for the next tax year. The vote shall be conducted by the Office of Human Resources and counted by at least one employee group member and the Vice President of Human Resources or his/her designee. The outcome of the vote shall take the form of a recommendation to the Vice President of Human Resources, acting on behalf of Green River Community College, with whom the final decision rests. If the Plan is suspended by decision of the Vice President of Human Resources, acting on behalf of Green River Community College, the Plan will automatically be reinstated the following tax year unless again suspended by this same procedure.

Eligible sick leave compensation under this policy shall be deposited with the VEBA Trust, c/o VEBA Plan Administrator, REHN & Associates Inc., PO Box 5433, Spokane, WA 99205-0433, within thirty (30) days of the employee's final pay date after retirement.

Specific Authority: RCW 28B.50.553; RCW 41.04.340

Law Implemented: 1997; 1998

History of Policy or Procedure

Draft: January 28, 2008

Adopted: November 10, 2008

Revised:

Reviewed by:

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