

BOARD MEMO – ACTION ITEM



PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

*Providing Foundations Together,
Cultivating Individual Growth*

To: Board of Education
From: Cody Martzluf, Superintendent
Date: Tuesday, August 18, 2026
RE: MOU

Recommendation: Approval of Memorandum of Understanding with the Putnam County Education Association Union, IEA-NEA Local 1613, regarding Health Savings Account contract language

Background:

- The current CBA contains the following language on page 16 under the Insurance Benefits section:

“In the event that an employee chooses a Health Savings Account plan offered by the Board, the Board shall contribute an amount equal to \$7,500 less any mandatory contributions.”
- When the District joined the Central Illinois Educators (CIE) Cooperative, employees were given the option to select either a PPO plan or a Value Plan (high-deductible plan). The Value Plan qualifies as an HSA-eligible plan.
- Under the current CBA language, employees who select the Value Plan would receive a different Board contribution than employees who select the PPO plan. This would result in employees on the Value Plan paying more toward their health insurance than employees on the PPO plan.
- My recommendation to the Insurance Committee was that the District treat both plans equally with respect to the Board’s contribution. The committee agreed with this approach.
- To accomplish this, I drafted a Memorandum of Understanding (MOU) that would temporarily suspend the HSA-specific contribution language in the CBA and clarify that the Board’s insurance contribution will apply equally to employees who select either the PPO Plan or the Value Plan.
- The union has approved the MOU and now we just need the board to approve it.
- The MOU is good through June 30, 2029, which coincides with the CBA renewal.

Memorandum of Understanding

Between

The Board of Education of Putnam County Community Unit School District 535
and

The Putnam County Education Association Union, IEA-NEA Local 1613

The Board of Education of Putnam County Community Unit School District 535 (“Board”) and the Putnam County Education Association Union, IEA-NEA Local 1613 (“Union”) enter into this Memorandum of Understanding (“MOU”).

The parties agree to the following facts:

- The parties recently negotiated the 2026-2029 Collective Bargaining Agreement (“CBA”).
- The District recently joined the Central Illinois Educators (CIE) Health Insurance Cooperative.
- The CIE Health Insurance Cooperative offers two health insurance plan options, including a PPO Plan and a Value Plan.
- The Value Plan qualifies as an Health Savings Account qualified plan.
- The current CBA language concerning the District’s contribution toward an HSA plan would result in the Value Plan costing employees more than the PPO Plan.
- Nothing in this MOU alters the terms and conditions agreed to by the parties, except as explicitly stated within this document.
- This Memorandum of Understanding is non-precedential and shall not be used in consideration of future agreements.

Therefore, the parties agree to the following conditions:

- For the duration of the 2026–2029 CBA, the following language shall be suspended and shall not be applied: “In the event that an employee chooses a Health Savings Account plan offered by the Board, the Board shall contribute an amount equal to \$7,500 less any mandatory contributions.”
- The Board’s contribution toward health insurance as outlined in the Health Insurance Contributions section of the CBA shall apply equally to employees who elect either the CIE Health Insurance Cooperative PPO Plan or the CIE Health Insurance Cooperative Value Plan.

This Memorandum of Understanding shall be effective immediately upon execution by the authorized representatives as set forth below. This Memorandum of Understanding shall expire on June 30, 2029 unless both parties agree to extend this Memorandum of Understanding, in writing, prior to that date. If either party declines to renew this MOU, then the parties will agree to bargain the impact of that decision.

In Witness Whereof, the parties hereto have executed this Memorandum of Understanding by signature of all parties below.

Dated: _____, 2026

Dated: _____, 2026

Putnam County Community Unit School District #535
Board of Education

Putnam County Education Association Union
IEA-NEA Local 1613

President, Board of Education

Co-President, Putnam County Education
Association Union

Co-President, Putnam County Education
Association Union