

MEMORANDUM OF UNDERSTANDING
Between
Northwestern Michigan College
-and-
The Northwestern Michigan College Faculty Association

WHEREAS Northwestern Michigan College (the College) notified the Northwestern Michigan College Faculty Association (NMCFA) of its desire to negotiate the terms of a voluntary separation program (VSP), which the College intends to offer to certain full-time faculty members to reduce overall College costs; and the parties to this memorandum of understanding (MOU), having met and negotiated the principal terms of the VSP, desire to reduce their agreement to writing, without setting any future precedent and without amending or modifying the applicable collective bargaining agreement.

THEREFORE, the parties agree to the following:

1. The College will offer the opportunity to participate in the VSP to "Eligible Faculty," which, for purposes of this MOU, is defined as all current full-time faculty at Step 13, 14 and 15 on the faculty salary schedule as of the date of this MOU (see Article 31 of the current collective bargaining agreement).
2. No later than February 26, 2024, Eligible Faculty wishing to participate in the VSP shall notify the AVP of Human Resources in writing of their desire to apply for the VSP and of their desired resignation date (either May 2024 or May 2025). Applications will be considered and accepted, on or before March 4, 2024, based on the needs of the College within its discretion. For purposes of this MOU, those Eligible Faculty members who apply for the VSP and are accepted by the College will be referred to as "Participating Faculty."
3. Each Participating Faculty member shall receive a financial separation package equal to:
 - sixty percent (60%) of the employee's annual salary if retirement is May 2024;
 - forty percent (40%) of the employee's annual salary if retirement is May 2025

The applicable amount will be paid to the Participating Faculty member in two equal installments over each of the two years immediately following the effective retirement date, in the form of contributions to the employee's 403(b) retirement savings accounts with TIAA, in accordance with applicable laws, regulations, and rules governing Internal Revenue Code Section 403(b) retirement savings plans. The first installment shall be made on the College's first payroll date in June in the year of the effective retirement date, with subsequent installments made in June of the following year. In no event shall any contributions be made later than the 2nd calendar year following the calendar year of retirement.


If a Participating Faculty member dies at any time before the end of the two-year period over which the two installment payments are to be made, then the installment due in the year of death may be limited by applicable Treasury Regulations. Any amounts that cannot be contributed pursuant to the limits referenced in the previous sentence will be forfeited. The deposits into the Participating Faculty's 403(b) account are considered employer discretionary nonelective contributions, and there is no opportunity for the Participating Faculty to elect to receive cash instead. The terms of the applicable plan documents and

applicable law will govern the Participating Faculty member's withdrawal of these funds from the 403(b) account. Following the effective retirement date Participating Faculty will not be entitled to receive any further remuneration, money, salary, wages, bonuses, or payments of any kind from the College as a regular faculty member. Participating Faculty should consult a personal financial or tax advisor or attorney before deciding whether to participate in the VSP, as the College cannot and does not provide any financial or tax advice.

As a condition to receiving the financial separation package referenced above, each Participating Faculty member shall sign a general release and waiver agreement, waiving any and all legal claims that the Participating Faculty member may have against the College, its personnel, employees, Trustees, and other representatives. Such general release and waiver agreement shall be in the format substantially similar to Exhibit A, attached hereto. The College will present the final general release and waiver agreement to the Participating Faculty for review and consideration on his/her last day worked.

As a condition to receiving the financial separation package reference above, each Participating Faculty member shall permanently and irrevocably resign from the College effective on a date selected by the Participating Faculty member, which shall be either May 2024 or May 2025; however, the College may, within its discretion, require the Participating Faculty member to resign on a date later than that selected by the Participating Faculty member if the College determines that a later resignation date is more appropriate to ensure continuity of operations and adequate staffing to support student success. If the College requires a later resignation date, the Participating Faculty member will still receive the agreed incentive in full.

4. Participating Faculty remain subject to all applicable College policies and the collective bargaining agreement; and any Participating Faculty who is discharged pursuant to the collective bargaining agreement, or who resigns before his/her anticipated resignation date as established under section 3(b) above without the College's approval, shall no longer be eligible for the VSP as outlined herein.
5. Eligible Faculty who submit written notification of their intent to resign to the College either May 2024 or May 2025 will be eligible to participate in the VSP as outlined above.
6. Participating Faculty are eligible for emeritus status as outlined in Article 29 of the collective bargaining agreement.


Brandon Everest (Feb 15, 2024 09:40 EST)

NMC Faculty Association Officer
Date: 15/02/2024

Stephen N. Siciliano

Stephen Siciliano,
VP for Educational Services, NMC
Date: 15/02/2024

Hollie DeWalt

Hollie DeWalt
AVP of Human Resources, NMC
Date: 15/02/2024