

MEMORANDUM OF UNDERSTANDING
BETWEEN
SEIU LOCAL 1021
AND
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
REGARDING PAYROLL ERRORS
June 3, 2022

This agreement, entered into this 3rd day of June 2022, between SEIU Local 1021 (“Union”) and the San Francisco Unified School District (“District”) is intended to address systemic payroll errors that adversely impact the timely and accurate payment of SEIU Classified staff.

In an effort to rectify the payroll errors, the Parties hereby agree as follows:

1. Effective upon the date of ratification, the District agrees to make whole any employee who reports a reduction in base pay due to a payroll error within three (3) business days of confirmation that the employee followed District protocols and the error still occurred. This includes remitting payment for income loss and any corresponding contributions owed for contractual or statutory fringe benefits. If an employee is not made whole within three (3) business days, the District agrees to pay the employee the balance owed plus 15% interest per annum after the employee’s report.
 - A. If, within three (3) business days of notice being received, the District confirms that the employee did not follow District protocols for submitting work hours, the employee shall correct the error and the District shall make the employee whole within five (5) business days.
 - i. If an employee is not made whole within five (5) business days, the District agrees to pay the employee the balance owed plus 15% interest per annum after the employee corrects the error.
2. Effective upon the date of ratification, the District agrees to make whole any employee who reports a reduction in overtime pay or pay differentials, that are not a part of base pay due to a payroll error within five (5) business days of confirmation that the employee followed

District protocols and the error still occurred. This includes remitting payment for income loss and any corresponding contributions owed for contractual or statutory fringe benefits. If an employee is not made whole within five (5) business days of confirmation of an error, the District agrees to pay the employee the balance owed plus 15% interest per annum after the employee's report.

A. If, within three (3) business days of notice being received, the District confirms that the employee did not follow District protocols for submitting work hours, the employee shall correct the error and the District shall make the employee whole within five (5) business days.

i. If an employee is not made whole within five (5) business days, the District agrees to pay the employee the balance owed plus 15% interest per annum after the employee corrects the error.

3. Up to the date before ratification of this agreement and retroactive to January 3, 2022, employees who followed District protocols and who still received reduced base pay, overtime pay, pay differential, due to payroll error will be paid 15% interest per annum on the amount owed. This owed interest shall be paid within forty-five (45) days of this agreement.
4. For any member who lost insurance coverage and/or medical coverage as a result of payroll errors, the District will reinstate insurance, medical, and Rx (prescription) coverage, retroactive to the first day coverage was suspended for up to six (6) months. In addition, the District agrees to pay or reimburse any medical bills incurred or paid by employees during the period of lost coverage that are not resolved by the insurance company once coverage is made retroactive. The District shall only reimburse services that the employee's health plan would normally reimburse.
5. For any member who signed up for AFLAC and whose membership was canceled or placed in delinquent status as a result of payroll errors, the District will transmit the retroactive payroll deductions to AFLAC by June 30, 2022. In the event, the cancellation or delinquent status of AFLAC membership resulted in the denial of claim for the member, the District shall be responsible for making the member whole, if AFLAC denies the claim, provided the member has resubmitted the claim to AFLAC after the District has transmitted the retroactive payroll deductions to AFLAC and made the member current.

6. For any member who signed up for Washington National Life Insurance and whose membership was canceled or placed in delinquent status as a result of payroll errors, the District will immediately transmit the payroll deductions to reinstate the members' Washington National Life Insurance.
7. For any member who signed up for annuities and other third party financial services offered to District employees and for which membership payments are deducted from the members' District payroll and whose membership was canceled or placed in delinquent status as a result of payroll errors, the District will immediately transmit the payroll deductions to remit the deducted contributions to the annuities and other third party financial services.
8. For any member who experienced a reduction in pay due to payroll error and who incurred either penalty or late-fee costs for non-payment on credit cards or mortgages, including any bank overdraft fees, the District will reimburse the costs retroactive to January 12, 2022.
9. As a condition of receiving a District payment under this Agreement, the affected employee shall sign a "Receipt and Release Agreement" in the form attached to this agreement.
10. In an effort to reconcile amounts paid and owed to employees, the District will provide the Union with a complete accounting of the back pay owed to each employee affected by the payroll errors. The District will update the file on a monthly basis and share said document with the Union.
11. In the event of a conflict between the terms of this Agreement and the terms of the applicable collective bargaining agreements, the terms of this Agreement shall control. Except as set forth herein, this Agreement shall not constitute a waiver of any preexisting rights under the parties' collective bargaining agreements.

WAGE SETTLEMENT AND RELEASE AGREEMENT

1. **Payment of Unpaid Wages.** The San Francisco Unified School District (“District”) agrees to pay _____ (“Employee”) \$ _____ in wages owed and unpaid due to a payroll processing error (“Wages”). Employee agrees that this is the full amount of the Wages owed as of the date of this agreement. Payment shall be made within three (3) business days of execution of this agreement. This includes remitting payment for the Wages and any corresponding contributions owed for contractual or statutory fringe benefits due to a payroll processing error.

2. **Interest in the Event of Late Payment.** If Employee is not paid according to the terms of the MOU Regarding Payroll Errors, then the District agrees to pay all interest in accordance with the terms of the MOU Regarding Payroll Errors.

3. **Lost Insurance and Medical Coverage.** If the Employee lost insurance coverage and/or medical coverage as a result of payroll errors, the District will reinstate insurance, medical, and prescription coverage retroactive to the first day coverage was suspended for up to one (1) year. In addition, the District agrees to pay or reimburse any medical bills incurred or paid by the Employee during the period of lost coverage that are not resolved by the insurance company once coverage is made retroactive. The District shall only reimburse services that the Employee's health plan would normally reimburse.

4. **Waiver and Release.** Upon execution of this agreement and the later of: (a) timely payment of the Wages, or (2) payment of the Wages and any interest owing Employee due to the District's late payment of the Wages pursuant to this agreement, Employee on Employee's own behalf and on behalf of Employee's heirs, executors, assigns, and any other representative(s) of Employee, waives and releases any and all legal and equitable claims it may have against the District, its employees, and any of its other representatives for the Wages, interest, related penalties, and any other provision of law related to the District's failure to pay the Wages and any corresponding contributions owed for contractual or statutory fringe benefits due to a payroll processing error. This includes waiver and release of any and all legal and equitable claims related to inaccurate wage statements, withholding of employment taxes, attorney's fees, retaliation for exercise of employment rights under the Labor Code and applicable Wage Order(s), breach of contract, unfair business practices, quantum meruit, and all other legal

responsibilities of any form or nature that arose or accrued prior to the effective date of this agreement related to the failure to pay wages due to a payroll processing error.

5. **Covenant Not to Sue.** Payment of the Wages by the District and Employee's execution of this agreement preclude employee from filing a claim with the California Labor Commissioner or any court of competent jurisdiction for the claims waived and released by this agreement.

Date: _____

Employee's Name [print]

Employee's Signature

Anthony Mills

Date:

Shop Steward

Arlene Sharp

Date:

Shop Steward

Jeanine Butler

Date:

Shop Steward

JoAnn Mar

Date:

Shop Steward

Damien Minor

Date:

Shop Steward

Michael Tal

Date:

Field Representative

San Francisco Unified School District

Carrie Slaughter 6/3/22

Carrie Slaughter Date:

SEIU 1021

Rafael Picazo June 3, 2022

Rafael Picazo Date:
President

Antonaé Robertson Date:
Vice-President

Shellie Wiener Date:
Secretary

Maria Yap Date:
Treasurer

Christian Benetiz Date:
Chief Shop Steward

Hari Subramanian

Hari Subramanian Date:
Field Team Supervisor

Lorraine Bowser Date:
Shop Steward and Executive Board
