

Letter of Agreement

Between Forest Hills Administrators, Forest Hills Education Association, Supervisors, Administrative Support, Custodial and Food Service, Child Care and Preschool and Bus Driver Association
and the Forest Hills Public Schools Board of Education

Distribution of Section 271(2) Funds - FY 2025-26 Educator Compensation

Intent and Scope

This Letter of Agreement ("Agreement") is entered into by and between the Forest Hills Board of Education ("District") and the associations listed above ("Association") for the purpose of fulfilling the statutory requirements and mutual intent of the parties under Section 271(2) of the FY 2025–26 Michigan School Aid Act regarding educator compensation to offset increased health care costs. The parties acknowledge that Section 271(2) funds are legislated pass-through monies for additional employee compensation, not employer funding, and that their use and distribution are mandatory subjects of bargaining under the Public Employment Relations Act (PERA). This Agreement establishes the bargained process, timing, and protections governing the equitable distribution of all 271(2) funds received by the District and ensures that all covered employees may elect to receive such compensation in the form most advantageous to them under allowable IRS regulations.

The form of employee compensation available under this Agreement is:

- Supplemental income (taxable)
- Reportable compensation for retirement purposes per ORS December 2025 newsletter communication

Bargaining Recognition

The parties acknowledge that the allocation and disbursement of Section 271(2) funds constitute mandatory subjects of bargaining. This Agreement is entered into pursuant to PERA and shall have full contractual force and effect as part of the existing Collective Bargaining Agreement. The compensation provided herein is in addition to all wages, stipends, and benefits provided under the current Agreement and shall not reduce or offset any other form of compensation or benefit.

Distribution Commitment and Timing of Payment

FHPS regularly-scheduled employees who are full-time or part-time will receive 271(2) compensation via an off-schedule payment on May 22, 2026. This payment does not include substitutes, student workers, Schedule-B positions, superintendent and assistant superintendents, non-regularly scheduled staff such as enrichment/pool instructors, and third party employees. Eligible employees must be active at the time of payment.

Hire Date On/Before 12/31/25	Hire Date Between 1/1/26 & 5/8/26
.75+ FTE = 100% or \$945.00	.75+ FTE = 100% or \$472.50
.50 - .749 FTE = 75% or \$708.75	.50 - .749 FTE = 75% or \$354.38
.25 - .499 FTE = 50% or \$472.50	.25 - .499 FTE = 50% or \$236.25
<.25 FTE = 25% or \$236.25	<.25 FTE = 25% or \$118.13

Bargained Enforcement and Grievance Rights

This Agreement is enforceable under the grievance and arbitration procedure of the Collective Bargaining Agreement. Neither party shall alter, reduce, or redirect any portion of the funds allocated under this Agreement without mutual written consent. Disputes regarding implementation, eligibility, or payment shall be subject to expedited grievance timelines upon mutual agreement.

Duration

This Agreement shall remain in effect until all Section 27(2) revenue has been fully disbursed to eligible employees as defined in this LOA and may be renewed, amended, or extended only by mutual written consent of the parties.

For the Board

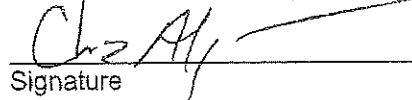

Signature

Ben Kirby
Printed Name

Superintendent
Position

4/20/2026
Date

For the Forest Hills Supervisors

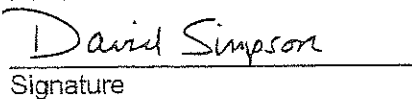

Signature

Chris Alger
Printed Name

Manager of Infrastructure + Operations
Position

4/1/2026
Date

For the Forest Hills Administrators


Signature

David Simpson
Printed Name

For the Forest Hills Administrative Support


Signature

Rebecca Lagazo
Printed Name

President

Position

4/1/2026

Date

Position

Date

For the Forest Hills Education Association

Signature

Printed Name

Position

Date

For the Forest Hills Custodial & Food Service

Signature

Printed Name

Position

Date

For the Forest Hills Child Care & Preschool

Signature

Printed Name

Position

Date

For the Forest Hills Bus Driver Association

Signature

Printed Name

Position

Date

Amie Hebel
Amie Hebel
FHEA President
4/1/26

J. A. Tolar
JEFF TOLAR
HEAD of MAINTENANCE
4-2-26

Molly Ferrington
Molly Ferrington
On-site Director at MB
4/1/26

Angela S Sloan
Angela S Sloan
Lead Trainer/Driver
4/6/26