

CALIFORNIA GOVERNMENT VEBA (or CALGOVEBA)

CALGOVEBA Trust Participation for Confidential, Administrative, Managerial, and Professional Employees (CAMP).

1. Participation in Trust. All employees represented by CAMP agree to participation in the California Government VEBA Trust (hereafter, CALGOVEBA or “the Trust”).
2. Limitations on Employer Responsibility. Employer’s responsibilities and liabilities with respect to the Trust are limited to making contributions and providing required contributions and employee data as detailed herein. Employer is not responsible for the liabilities or debts of the Trust and has no responsibility or control over benefits provided through the Trust.
3. Purpose of Trust. The purpose of this Trust shall be to provide for medical expense reimbursement benefits. The Trust shall be and remain separate and apart from any Employer health insurance funding program, unless changed by mutual agreement of the parties to the agreement. The monies contributed to the Trust shall only be used for reimbursement of medical expenses under the terms of the Trust’s medical expense reimbursement plan (the “Plan”), and the reasonable costs of administering the Trust. Employer and CAMO acknowledge that upon termination of participation in the Trust, federal law prohibits the Trust from refunding any contributions to the Employer or the Association, and any remaining monies designated for health benefits of employees will be paid as benefits or for administrative costs.
4. Eligibility of Employees for Trust Participation.
 - 1) Integration Rule Under Federal Law. In order to satisfy the integration requirements of the federal Affordable Care Act (ACA), eligibility for contributions to the Trust is limited to employees: (1) who are actually enrolled in a group health plan that satisfies the minimum value requirements of the ACA; and (2) to whom the Employer has offered a group health plan providing minimum value coverage. Employer agrees to send information as reasonably requested by the Trust to certify that this eligibility requirement is met and to notify the Trust if the Employer’s group health plan ceases to provide minimum value coverage under the ACA.
 - 2) Covered Employee. Subject to section D1 hereof, the contribution requirements of this Article will apply to every employee in the CAMP bargaining unit (hereafter, “Covered Employee”).
5. Mandatory Contributions to the Trust
 - 1) Employee Contributions.
 - a. Mandatory transfer. Effective January 26, 2025, Employer will transfer a mandatory pre-tax employee contribution from wages per pay period as follows:
 1. Employees hired between January 1, 1988 and December 31, 2000 will contribute \$75.00 per pay period, and receive Terminal Leave Deferral of

- 50% Vacation and 100% Sick Leave (based on sick leave eligibility per MOU).
2. Employees hired between January 1, 2004 and December 31, 2008 will contribute \$75.00 per pay period, and receive Terminal Leave Deferral of 50% Vacation and 50% Sick Leave (based on sick leave eligibility per MOU).
 3. Employees hired between January 1, 2013 and December 31, 2016 will contribute \$75.00 per pay period, and receive Terminal Leave Deferral of 0% Vacation and 100% Sick Leave (based on sick leave eligibility per MOU).
 4. Employees hired between January 1, 2018 and June 30, 2023 will contribute \$50.00 per pay period, and receive Terminal Leave Deferral of 0% Vacation and 50% Sick Leave (based on sick leave eligibility per MOU).
 5. Employees hired after July 1, 2023 will contribute \$25.00 per pay period, and receive Terminal Leave Deferral of 0% Vacation and 50% Sick Leave (based on sick leave eligibility per MOU).
- b. As each Covered Employee will contribute the same predetermined dollar amount, no employee election forms designating the amount will be needed, allowed, or requested.
 - c. Employee contributions shall be included as salary for purpose of calculating retirement benefits.
- 2) Due Date for Payments to Trust: The Employer shall transfer the employer and employee contributions to the trust (including employee contributions withheld from wages), on behalf of each Covered Employee as detailed above, no later than the 15th day following the pay period on which the contribution is based.
6. Vacation and/or Sick Leave Transfers to Trust. Employer and CAMP agree that Employer will make the following mandatory transfers, on a pre-tax basis, to the Trust on behalf of every Covered Employee:
- 1) Mandatory Accrued Leave Contribution (at Retirement or Separation). Employer shall, upon the Covered Employee's retirement or separation from the Employer, irrevocably contribute to the Trust, for the Covered Employee's Trust account, on a pre-tax basis, an amount equal in value to the bands above and based on CAMP's current MOU provisions for subject unused leave in section 3 that would otherwise be paid to the Covered Employee for unused sick and/or vacation leave under this Agreement.
 - 2) Due Date for Leave Transfer to Trust: The Employer shall transfer the leave amounts to the Trust on behalf of each Covered Employee as detailed above, no later than the 30th day following the official retirement or separation date from the Employer.
7. Reporting rules.
- 1) Submission of Covered Employee Data to Trust: With each payment the Employer shall also submit Covered Employee data to identify the amounts paid on behalf of each Covered Employee, and any other information necessary for the administration of the Trust. To facilitate the dissemination of important notices, and Trust payment of benefits, to employees/retirees, Employer shall also supply Covered Employee

names, social security or other identification numbers, address, email address, and phone number, pursuant to the rules and procedures set by the Trustees or the Trust Office.

- 2) Access to Employer Records. The Employer agrees to allow an audit of its records by the Association to the extent necessary to review compliance with the obligations in this Agreement to contribute to the Trust. The Trust shall not be responsible to collect late contributions, and will credit the employees only with the amounts received by the Trust.
- 3) Late Payments. The Employer understands that late payments will accrue interest, which at the time of this agreement was at the rate of 6%, and that costs incurred by the Association in connection with collecting late payments may be assessed against the Employer.

8. Governing Documents.

- 1) Trust Agreement. The Trustees administer the CALGOVEBA Trust pursuant to the Trust Agreement "Trust Agreement of The California Government Voluntary Employees' Beneficiary Association Trust." Employer hereby acknowledges receipt of the Trust Agreement governing the Trust.
 - a. Prior Trust Agreement or Plan Documents. Any prior Trust Agreements or Plan documents adopted by the Employer in relation to the CALGOVEBA Trust are hereby null and void.