

Letter of Understanding

BETWEEN

THE Southern Alberta Institute of Technology ("SAIT")

AND

The SAIT Academic Faculty Association ("Association")

Effective July 1, 2015, the Employer on a gratuitous basis will implement a new wellness account ("Taxable Spending Account") as an alternative option to the existing Health Care Spending Account. Academic staff members participating in the Standard Extended Health Care Benefit Plan or the Enhanced Extended Health Benefits Plan will be eligible to participate.

Accordingly, the Association agrees and accepts implementation of a new wellness account as follows:

1. The Employer will implement a new annual Taxable Spending Account in the amount of \$650 per benefit year (July 1 to June 30) per academic staff member as an alternative option to the existing Health Care Spending Account as per Section 29.04 (c) of the Collective Agreement. There will be no carryover of this amount into subsequent years.
2. This Taxable Spending Account, when accessed by the academic staff member, is a taxable benefit as per Canada Revenue Agency.
3. Eligible academic staff members will electronically choose each benefit year either access to the existing Health Care Spending Account as per Section 29.04 (c) of the Collective Agreement or the Taxable Spending Account. In the first year of the benefit, if selection is not made, then the academic staff member will be eligible for the Health Care Spending Account. For the benefit year starting July 1, 2016 and subsequent years, members' selections will continue into the next year unless they change their selection during the open enrolment period.
4. Eligible expenses are those that qualify as a Taxable Spending Account expense as set out in the Taxable Spending Account plan, examples of eligible expenses may include fitness memberships, exercise equipment
5. In addition, the Employer has offered to delete section 29.04 (d) requiring a pro-rated Health Care Spending amount deduction from an academic staff members final pay upon termination of employment. Otherwise participating in the Health Spending Account continues to be governed by Section 29.04 of the Collective Agreement

Signed this 01 day of JUNE, 2015.

For the SAIT Academic Faculty Association

  
PRESIDENT - James McWilliams

For the Southern Alberta Institute of Technology

  
PRESIDENT & CEO- David Ross