

**MEMORANDUM OF UNDERSTANDING
JEFFERSON COUNTY SCHOOL DISTRICT AND JEFFCO CREDIT UNION**

RECITALS:

1. The Jeffco Credit Union ("Credit Union") is a Colorado not-for-profit corporation which was originally chartered as the Jefferson County School District Employees Credit Union in 1948.
2. The Credit Union was organized by employees of the Jefferson County School District ("School District") primarily to serve School District employees and their families. Ultimately, the Credit Union also served students of the School District and their families and then expanded to serve others, in order to lower the cost of serving School District-related members.
3. The vast majority of members of the Credit Union (87%) are retirees, employees, graduates and students of the School District and their families.
4. The Credit Union has always served as the primary financial institution for the employees of the School District; among other things it has provided loans and advances to new employees. It has cooperated in a very significant fashion with the School District and its employees in meeting a variety of unusual situations and needs of the School District's employees and students.
5. The Board of Directors of the Credit Union has always been composed of employees and former employees of the School District. The current Board of Directors is composed of School District retirees with a total of over 200 years of service to the School District.
6. For many years, beginning in 1948, the primary office of the Credit Union was located in the administration building of the School District.
7. There are numerous programs through which the Credit Union has provided service to the School District and its employees (*see* Attachment). The Credit Union is committed to continue its service to the School District.
8. Beginning in 1982, the District has employed Credit Union employees and loaned them to the Credit Union without the benefit of a formal agreement between the parties. Although there are no School District records approving this arrangement, the records of the Credit Union show that there was cooperation between the School District and the Credit Union in making this decision.
9. The minutes of the Board of Directors of the Credit Union indicate that the employees of the Credit Union were polled as to whether they wished to continue in Social Security or to join the Public Employees Retirement Association, which would only be a possibility if they became employees of the School District.
10. The Credit Union employees voted to participate in the Public Employees Retirement Association through the School District. Effective October 1, 1982, all payroll functions were transferred and processed through the School District, including tracing of sick leave, vacation, and other benefits such as health insurance. That arrangement continues to the present.
11. Over time, as the Credit Union has expanded to include as members persons without any affiliation with the School District, the School District has questioned the ongoing validity of employing those who provide services to the Credit Union as School District employees.

12. The Board of Directors of the Credit Union has voted to merge the Credit Union with Westerra Credit Union effective July 1, 2009.

AGREEMENT:

THEREFORE, the parties agree:

1. Effective December 15, 2008, no new Employees will be hired on a full time basis to perform services for the Credit Union.

2. Effective July 1, 2009, Westerra Credit Union shall become the employer of all School District employees who are performing services for the Credit Union as of June 30, 2009 ("Employees") and shall maintain all records and make all payments incident to assuming the employment function for such Employees who become Employees of Westerra Credit Union.


3. The names of the affected Employees shall be agreed upon between the Superintendent of the School District and the President/CEO of the Credit Union prior to June 30, 2009, and all such named Employees shall be terminated as Employees of the School District as of the close of business of June 30, 2009.

4. Effective July 1, 2009, all decisions concerning hiring, discipline, pay, promotion, dismissal or lay off of Employees of Credit Union shall be made by Westerra Credit Union.

5. The School District and the Credit Union intend by this memorandum of understanding to cease School District employment of persons providing services to the Credit Union, while retaining the close ties between the School District and the Credit Union and its successor, Westerra Credit Union, which has committed to continue the major relationship of the Credit Union with the School District, its original sponsor, and to support and implement the programs and scholarships that the Credit Union has provided to the School District, its students and employees. The School District endorses the merger and will publicize Westerra Credit Union membership subject to the policy direction of the Board of Education.

JEFFERSON COUNTY SCHOOL DISTRICT

JEFFCO CREDIT UNION

By: 
Scott Benefield, President
Board of Education

By: 
Connie Ephland, Chairman
Board of Directors

Date: January 29, 2009

Date: January 20, 2009

ATTACHMENT

The following are some of the services and support that the Credit Union provides or has provided to the School District community:

- Opened a branch of Jeffco Credit Union within Bear Creek High School for the Students and Teachers of Bear Creek, staffed by Bear Creek High School Students.
- Partnered with National Endowment for Financial Education (NEFE). Over 170 Jefferson County School District educators have attended the free workshops provided by the Jeffco Credit Union. The Credit Union provided the meeting space, materials, meals and substitute teaching fees for educators attending the training seminar.
- Jeffco Credit Union's Making Sense Financial Literacy Program, which provides, free of charge, education presentations to Jeffco Students K-12, has reached over 27,000 students with over 1,065 classroom presentations and garnered Jeffco Credit Union 5 national awards for its support of and commitment to teaching financial literacy to youth.
- Jeffco Credit Union has awarded \$48,000 in scholarships to students and teachers who are members of Jeffco Credit Union for continuing education.
- The Credit Union collected and distributed over \$90,000 for the Columbine Memorial Fund and acted as the depository for numerous other collection efforts.
- Jeffco Credit Union has provided facilities at no charge for over 160 District training sessions over the past two years.
- The Credit Union provided substantial financial assistance to District Employees during the school district's payroll system problems in December, 2000 which left thousands of employees without pay just days before Christmas.
- The Credit Union offered assistance to school district employees and JCU members when the forest fires devastated Jefferson County.
- The Credit Union provided free tax assistance to District Employees impacted by the tax issue in December, 2004.
- The Credit Union provides free temporary checks/registers to educators to use in the classroom.
- The Credit Union guarantees account openings for all district employees, no matter their credit background, in order to facilitate direct deposit requirements for payroll.
- Jeffco Credit Union provides account opening at District Orientation with packages designed specifically for Jeffco Employees.
- Jeffco Credit Union provides continuing support of the Jefferson Foundation by annually purchasing a table at the Crystal Ball Fundraiser.
- The Credit Union supports the Janet S. Meyers Scholarship Fund in partnership with the Jefferson Foundation.
- The Credit Union provides two employees whose sole purpose is to be available for meeting with school groups, teaching in classrooms and providing contact points for the schools, employees and students within the district.