

Memo

To: Board of Regents
From: Kevin McRae, Director of Labor Relations and Human Resources
Date: October 28, 2009
Re: **Item 145-112-R1109**

I recommend approval of the following labor agreement between the Montana University System and Teamsters Local #2.

The agreement covers 160 employees in Bozeman.

The agreement includes a two-year salary freeze through June 30, 2011.

TENTATIVE AGREEMENT
TEAMSTERS LOCAL #2 AND MONTANA STATE UNIVERSITY

**1. Article VII, Section B, Subsection 2
Seniority Rights**

Layoffs caused by reduction in force shall be in order of seniority within a classification and grade. The employee last hired within a classification and grade shall be the first released. Employees who are scheduled to be released shall be given at least ten working days' notice. **Because of unusually severe economic circumstances, and only for Fiscal Years 2010 and 2011, the Employer agrees to provide an exception to the ten-day notice and will provide at least twenty working days' notice in FY 2010 and 2011.** All recalls to employment shall be likewise in order of seniority within a classification and grade; that is, the last employee released within a classification and grade as a result of reduction in force shall be the first rehired when the Employer needs additional employees. The employer shall notify such employees to return to work and furnish the Union a copy of such notifications, and if the employee fails to notify the Employer within ten calendar days of his/her intention to return to work, such employee shall be considered as having forfeited his/her right to reemployment.

**2. ARTICLE XIV, Section A
Contract Term**

This contract shall be in full force and effect from the date of July 1, **2007 2009**, to and including June 30, **2009 2011**, and shall be considered as renewed from year to year thereafter unless either party to this agreement notifies the other party, in writing, by March 30, **2009 2011**, of their desire to modify or terminate this agreement.

3. Addendum A

There shall be no general pay raises in either year of the biennium that begins July 1, 2009, and ends June 30, 2011, however, if the Legislature convenes in a special session called by the Governor to appropriate additional funds to the Montana University System during the term of this Agreement, the parties agree to re-open the economic provisions of this Agreement for negotiation. Additionally, if the Montana University System negotiates a general pay raise with any other collective bargaining unit during the term of this Agreement, the parties agree to re-open the economic provisions of this Agreement for negotiation. Upon ratification of this Agreement, full-time employees whose annual base pay is \$45,000 or less (base wage of \$21.6346 or less) shall receive a one-time payment of \$450. Part-time employees who are regularly scheduled to work at least 20 hours per week and whose hourly base wage is at or below \$21.6346 shall receive a one-time payment of \$225.

Effective July 1, 2005, any maintenance worker who has been assigned the responsibility of asbestos abatement and microbial remediation and who obtains and maintains required training and certification shall receive a 50 cents (\$.50) per hour salary differential for the duration of the assignment.

Newly-hired employees will be paid according to the Montana University System Staff Compensation Plan entry rates of pay, effective October 1, 2005. Employees hired on or before September 20, 2005, making less than the new hire rate of pay will be paid at least the new hire rate.

4. Health Insurance

The employer agrees to increase its contribution to each employee's monthly health insurance premium by 8.5% in July 2009 and by 8% in July 2010. The employee must be in a half-time-or-greater position to receive health insurance benefits. Currently, the employer pays \$7,512 per year toward each employee's premium. The increases proposed here mean the employer would contribute \$8,148 toward each employee's premium in Fiscal Year 2010 (*\$679 per month*), and \$8,796 toward each employee's premium in Fiscal Year 2011 (*\$733 per month*).

**5. Article VII, Section B, Subsection 3.
Food Service Workers**

Food service workers that are temporarily laid off during the summer shall be entitled to work on custodial crews ahead of new hires or students provided the food service worker is qualified to perform the work required.

The Employee shall notify the Employer eight (8) weeks prior to the end of spring semester of his/her intent to fill a position for summer employment. The Employer shall notify the Employee within four (4) weeks prior to the end of spring semester if there is a position for summer work.

6. Article VIII, Section A, Subsection 3c.

Immediate Family Defined

The employee's immediate family shall consist of: spouse, parents, grandparents, brothers, sisters, children, grandchildren, household dependents, and the same relatives of the employee's spouse in like degree. **For a two-year trial period during the term of this Agreement, expiring July 1, 2011 (unless the parties mutually agree to renew this temporary language), the employee's immediate family shall also include aunts and uncles.** Delete and replace Roman numerals (e.g., replace "Article II" with "Article 2").

7. All references to the union's name in the Agreement shall say "Teamsters Union Local #2."

8. Addendum B-1, Article III, Pension Plan.

A majority of employees employed in positions covered herein, as listed under Article II, have elected to participate in the Western Conference of Teamsters Pension Trust Fund. It is understood and agreed on the part of the Employer, union and employees that all employer contributions shall be in lieu of wages and shall be based on a contribution rate of ~~80 cents (\$.80) per hour for all regular non-overtime~~ **one dollar (\$1.00) per hour for all compensable** hours worked. Contributions on behalf of each employee as provided herein above shall be remitted on a monthly basis by the Employer no later than the 20th day of each month and shall be based upon the previous month's compensable hours to the Western Conference of Teamsters Pension Trust Fund. Pursuant to state law, no such wages will be deferred to pension contributions as provided herein without each individual employee executing proper authorization to do so; provided, however, the parties recognize that in compliance with the provisions of the Western Conference of Teamsters Pension Trust Fund selective employee participation is prohibited. Participation in the Western Conference of Teamsters Pension Trust Fund is therefore a condition of employment for all bargaining unit employees covered by Addendum B-1 until such time that a majority of such employees elect to discontinue participating in the fund. The language contained in Article IV, Section 2, Excluded Employees, that excludes part-time and temporary employees from the bargaining unit does not apply for purposes of the pension plan provisions for those employees employed in the classifications listed in Addendum B-1 of the labor agreement. Such part-time and temporary employees are required to participate in the Western Conference of Teamsters Pension Trust Fund irrespective of the number of hours or days employed but are not covered by any other provision of the collective bargaining agreement.

9. If any other employee group negotiates a reduced parking rate or discount/voucher during the term of this contract, the Employer will negotiate the subject with Teamsters Local #2. This memorandum on

parking expires July 1, 2011 unless the parties mutually agree to renew this temporary language.

10. The parties agree to a two-year Memorandum of Understanding whereby the University shall purchase one university logo shirt per year for each member of the bargaining unit in Auxiliary Services (excluding Facilities Services, which already has a clothing arrangement). The first shirt shall be provided upon ratification of the contract in fall 2009. The second shirt shall be provided at the start of the 2010-11 academic year. The shirt is not a required uniform and is not connected to any clothing policy.