

**Memo**

To: Board of Regents  
From: Kevin McRae, Deputy Commissioner for Communications & Human Resources  
Date: May 20, 2016  
Re: **Item 171-104-R0516**

I recommend approval of the FY 2016-17 labor agreement between the Montana University System and the Federation of Teachers, Local 4045, MEA-MFT, NEA, AFT, AFL-CIO covering certain faculty at Montana State University Northern.

The primary economic component of this new labor agreement is a salary increase of 2% (or the alternative of \$780 over an academic year contract, whichever amount is greater) effective the first day of the pay period that includes January 15 in calendar years 2016 and 2017. The agreement also includes secondary salary measures consistent with the supplemental salary pools in faculty collective bargaining.

The strong work by the bargaining representatives for labor and management in arriving at this mutually agreeable outcome settles the bargaining subject of compensation for the duration of the agreement that expires June 30, 2017. Ratification and approval of this agreement establishes a binding contract between the parties until renegotiation begins in 2017 for a FY 2018-19 agreement.