

**MEMORANDUM OF UNDERSTANDING BETWEEN
STATE OF MINNESOTA
AND
MN AFSCME COUNCIL 5, AFL-CIO
MINNESOTA ASSOCIATION OF PROFESSIONAL EMPLOYEES
MIDDLE MANAGEMENT ASSOCIATION
STATE RESIDENTIAL SCHOOLS EDUCATION ASSOCIATION
MINNESOTA NURSES ASSOCIATION
MINNESOTA LAW ENFORCEMENT ASSOCIATION
MINNESOTA GOVERNMENT ENGINEERS COUNCIL**

This Memorandum of Agreement is entered into this _____ day of May 2021 to address issues related to a potential shutdown of state government in the event that the Minnesota Legislature does not appropriate funding for State Agencies before July 1, 2021 or in the event that the Minnesota State Colleges and Universities Board of Trustees determines that funds are no longer available to continue operation (“the shutdown”). The provisions below apply only to the term of any state shutdown which begins in 2021, and supersede any provisions to the contrary in the respective Collective Bargaining Agreements.

1. The provisions of this Memorandum of Understanding apply only to those employees laid off or placed on an involuntary unpaid leave of absence as a result of a state shutdown. Employees who are directed to continue to work during the shutdown in positions performing priority 1 or 2 critical services shall continue to be covered by all provisions of the applicable Collective Bargaining Agreement except as specifically provided elsewhere in this Memorandum.
2. Following the determination of services deemed to be priority 1 or 2 critical services, the assignment of employees to positions that will perform the priority 1 or 2 critical services shall be by:
 - a. Seniority for AFSCME Units 1 and 8
 - b. For all other bargaining units, seniority provided that the senior employees are capable and qualified to perform the assigned work at the time of the assignment
 - c. Employees not assigned to priority 1 or 2 critical services shall be laid off or placed on involuntary unpaid leave of absence
3. The layoff procedures/rights of Article 15 (AFSCME); Article 17, Section 3 (MAPE); Article 13 (MMA); Article 13 (MNA); and Article 13 (MGEC) shall not apply to layoffs directly or indirectly resulting from a state shutdown during the first thirty (30) calendar days of the initial layoff of any employee as a result of the shutdown. In all cases the exercise of bumping rights shall be permanent. Employees who are laid off as a result of the shutdown and choose not to exercise their bumping rights shall be returned to their former position, work location, shift, and schedule at the conclusion of the shutdown.

4. Employees laid off or placed on an involuntary unpaid leave of absence as a result of the shutdown shall not be eligible for liquidation of accrued vacation or compensatory time or for severance pay.
5. All employees who are laid off or placed on involuntary unpaid leave of absence as a result of the shutdown and who at the time of the lay off or involuntary unpaid leave of absence are eligible to participate in insurance coverage offered through State Employee Group Insurance Program (SEGIP) will remain eligible with the same coverage level and employer contribution rate they received on the day before the lay off or leave. This includes eligible employees with less than three (3) continuous years of service and unclassified employees.
 - a. The Employer agrees to maintain an employer contribution to insurance coverage offered through SEGIP for the duration of the shutdown, at the contribution rate in effect on the day before the employee is laid off or placed on involuntary unpaid leave of absence due to the shutdown. Employer contributions may change in a manner consistent with changes in coverage due to life events.
 - b. The premium deductions for eligible employees' share of premiums unpaid due to an involuntary leave or layoff due to the shutdown will be taken beginning with the second full paycheck received after the return to work and will be billed pursuant to item c. below.
 - c. Eligible employees who are enrolled in a coverage shall not be required to pay their share of the premium until they return to work after recall from layoff or involuntary unpaid leave of absence due to the shutdown. Amounts owed will be paid through payroll deduction beginning with the check reflecting hours worked in the second full payroll period following return of the employee to payroll status after the conclusion of the shutdown. Payment of these past due premiums will be taken at a rate of one paycheck for each total bimonthly premium payment (including all coverages) missed due to the shutdown. (For example, if an employee missing three paychecks due to the shutdown, and a premium payment would have been taken out of each paycheck, then the employee will experience the past due premiums taken out of three paychecks beginning with the second full paycheck upon the return to work after the shutdown.)

If there is not sufficient money in the paycheck to cover the employee share of premiums or for employees who separate from state service prior to full collection of premiums owed to the state or in the case of plan insolvency of the plan will be billed for any premium in arrears and will be provided 60 days in which to pay before retroactive cancellations will be applied.

A pretax contribution allowed under law must be collected within the calendar year 2021. Upon returning to work, any Medical/Dental Expense Account (MDEA) contribution amounts not deducted from paychecks during the shutdown-related layoff/leave will be collected throughout the remaining paychecks attributable to the

calendar year. The benefit information system will automatically recalculate the bi-weekly payroll deductions. When there are not sufficient funds in a paycheck after recall/return-to-work, the participant will be required to make after-tax payments to continue participation in this account. If the full amount is not contributed by the end of the calendar year, the employee will not be able to carryover up to \$550 into the next calendar year.

This section (item 5c) will remain in effect on the condition that SEGIP plans remain solvent.

6. At the conclusion of the shutdown, all employees laid off or placed on involuntary unpaid leave of absence as a result of the shutdown shall be recalled to work from layoff or involuntary unpaid leave of absence and will be returned to their prior position/assignment, work location, shift and schedule held immediately prior to the shutdown.
 - a. Employees shall make every effort to report to work on the date indicated in the recall notice, oral, written or electronic. In any event, employees shall report no later than three (3) working days after that date or at another date as mutually agreed to by the employee and the supervisor/designee.
 - b. Subsequent to the shutdown, if any permanent layoff occurs of employees who are laid off as a result of the shutdown, such layoff shall occur only after the employee is recalled to work after the shutdown; such layoff shall be subject to the provisions of the applicable Collective Bargaining Agreement.
 - c. Contract provisions requiring advance schedule posting for recalled employees shall be waived for one full payroll period following recall.
7. All time on layoff or involuntary unpaid leave of absence as a result of the shutdown shall be considered as continuous service for purposes of determining length of service for vacation accruals, seniority, severance pay eligibility, eligibility for insurance for part-time employees ("quarterly look back" language) and DNR seasonal employees who would have worked during the shutdown, and for length of service for the employee contribution to the Health Care Savings Plan provided in the applicable Collective Bargaining Agreement.
8. Time an employee spends on layoff or involuntary unpaid leave of absence as a result of the shutdown will not be credited toward the employee's completion of any probationary period or trial work experience period.
9. The parties agree that no grievances shall arise pertaining to the layoff notices given to the employees for the purpose of the shutdown and that this MOU does not set any precedent for future layoff notices.
10. The following shall apply regarding grievances:

- a. Timelines for processing grievances filed prior to the start of shutdown or during the shutdown shall be extended for the period of the shutdown plus an additional 14 calendar days following the end of the shutdown.
 - b. Any arbitration which is scheduled to occur during the period of the shutdown shall be postponed and will be rescheduled as soon as possible following the end of the shutdown.
11. The provisions in this Memorandum represent the complete and total understanding of the parties related to the shutdown and shall not set a precedent.
12. The end of the shutdown is understood by the parties to mean the date on which the last employee laid off or placed on an involuntary unpaid leave of absence due to the shutdown has been recalled to work.
13. Except for applicable provisions in #1, 3, 5, 6, 7, 8, 9, and 10, this Memorandum shall expire at the end of the shutdown.
14. This Memorandum of Understanding is intended to be in conformity with all applicable and valid federal and state laws and rules and regulations promulgated thereunder having the force and effect of law. In the event that any provision of this MOU is found to be inconsistent with such statutes, rules, or regulations, the provisions of the latter shall prevail. If any provision of this MOU is found to be invalid or unenforceable by a court or other competent authority having jurisdiction, then such provisions shall be considered void, but all other valid provisions shall remain in full force and effect.

For the Union:

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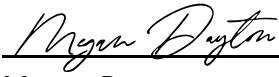
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