MEMORANDUM OF AGREEMENT

Between

MONTANA YOUTH CHALLENGE ACADEMY EMPLOYEES UNION, MEA-MFT

AND

STATE OF MONTANA DEPARTMENT OF MILITARY AFFAIRS MONTANA YOUTH CHALLENGE ACADEMY

The Montana Youth Challenge Academy Employees Union, hereinafter referred to as the "Union" and the State of Montana, hereinafter referred to as the "Employer" recognize the need to address significant problems with recruitment and retention of employees at the Montana Youth Challenge Academy, located in Dillon, Montana.

The Employer and the Union agree to a **Retention Incentive Program, upon final ratification by the union,** as follows:

1. Employees who reach their 3rd year anniversary date will receive a one- time lump sum payment of 2% of their base pay during the pay period in which the anniversary date falls.

2. Employees who reach their 7th year anniversary date will receive a one-time lump sum payment of 4% of their base pay during the pay period in which the anniversary date falls

ALL lump-sum payments are calculated on the employees' base rate of pay.

This Memorandum of Agreement will terminate June 30, 2017 upon expiration of the parties collective bargaining agreement.

Signed this 25th day of Nearby, 2015

FOR THE EMPLOYER: FOR THE UNION:

State Office of Labor Relations Department of Administration

Tammy Pilcher

MEA-MFT Field Consultant

Mathew T. Quinn Major General

Director, Department of Military Affairs

The Adjutant General

Michael Weldon, President

MYCP Local Union, MEA-MFT

Jan Rouse, Director

Montana Youth Challenge Academy