

**Memorandum of Agreement
Between the State of Montana,
Department of Labor and Industry
and
Montana Public Employees Association**

This Memorandum of Agreement is entered by the Department Of Labor and Industry herein referred to as the Department and Montana Public Employees Association, herein referred to as the Union.

The Department and the Union agree to roll over the 2007-2009 labor agreement and make the following changes to the DLI pay plan document.

XVIII. 2010 – 2011 Contract Language

Beginning July 1, 2009, the Individual Band Placements (IBP) and any associated pay adjustments that have been stipulated in sections VI, XII, XIV and XV will be held at the same levels as is currently identified by the department.

Also, new employees that are hired on or after September 26, 2009 will be brought in one step back from where they have been assigned. The six month trial period step back will also remain in effect, thereby causing new hires to be stepped back two steps for the first six months. At the end of six months, the normal trial period procedure will take effect, allowing the employee to be moved up one step.

New employees that are hired on or after September 26, 2010 will be brought in two steps back from the IBP they have been assigned. The six month trial period step back will also remain in effect; thereby causing new hires to be stepped back three steps for the first six months. At the end of six months, the normal trial period procedure will take effect, allowing the employee to be moved up one step.

New Employee:

Years experience	8 (including last year)
Minimum Qualifications	5 (IBP 1)
IBP Placement	4
*IBP with extra step back	3

*Trial period not included in this figure.

Current Employee:

Years of experience	8 (including last year)
Minimum Qualifications	5 (IBP 1)
Normal IBP Placement	4
Frozen IBP Placement	3

The purpose of this procedure is to maintain equity of our current workforce as it relates to new hires.

IBP assignments in XI will be handled on a case by case basis, at the discretion of the department. Reclassifications will be handled on a case by case basis, at the discretion of the department.

The department will track all employees who have missed normal step increases over the course of the next two years. Following the term of this agreement, employees will be placed in their proper IBP contingent upon affordability, funding and collective bargaining as describe in Section 4 of the January 16, 2009, 2010-2011 Economic Agreement.

This section shall supersede all other articles if there is any conflicting language.

Replacement Language:

XIII. Statutory Pay Increases

All full-time employees whose base pay is \$45,000 or less annually will receive a one-time lump-sum payment of \$450 for the first full pay period after July 1, 2009. All part-time employees who are regularly scheduled to work 20 hours or more per week and whose base pay is \$21.635 per hour or less will receive a one-time lump-sum payment of \$225 for the first full pay period after July 1, 2009.

XVII. Labor Management Committee (LMC)

Section 1 – LMC Purpose. The Employer and the Union agree to the establishment of a Labor-Management Relations Committee. The purpose of this Committee is to discuss any item of concern to either party and to improve communications between the Employer and the members of the bargaining unit. This Committee shall not take the place of the grievance procedure or the collective bargaining process, but shall be a forum to facilitate communication and the sharing of ideas. For special circumstances the Union and Management may request that additional employees and management staff attend.

1. The Union shall appoint one member from each division;
2. Management will appoint one member from each Division to the Labor/Management Relations Committee.

Section 2 - Meetings. During the term of this agreement, the Committee shall meet at a mutually agreed date, time and place. The first meeting will take place no later than November 1, 2009.

Section 3 – Agenda. Agenda items shall be limited to items, which are of a group rather than an individual concern. Performance Evaluations will be a standing agenda item at the Labor Management meetings.

LMC also will discuss the following topics:

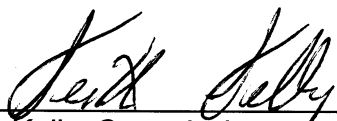
- Behavior standards in Performance Appraisal system.
- 2 or more consecutive final overall Needs Improvement ratings will be cause for losing any pay beyond the statutory pay.
- If employee’s overall performance/behavior rating worsens during last portion of evaluation cycle (from the mid-term to the final), from an overall Needs Improvement to an overall Unacceptable rating, then the Unacceptable rating will stand.

Section 4 - Release time. The bargaining unit members will receive paid release time to attend meetings when scheduled during normal work hours.

DATED this 3rd day of Sep 2009

FOR: THE STATE OF MONTANA:


FOR: MONTANA PUBLIC
EMPLOYEES ASSOCIATION:



Keith Kelly, Commissioner
Department of Labor and Industry



Quinton Nyman
Executive Director



Paula Stoll, Administrator
State Human Resources Division