

LETTER OF UNDERSTANDING

Article 13 - Borland Arbitration Decision

In the course of the 1987 negotiations, the parties agreed to provide certain rights for those employees in limited term positions covered by the David Borland Arbitration Decision Number FMCS 87K/00191. For the purposes of this Letter only, such persons shall be referred to as "employees". Employees shall have all wages and benefits to which they are entitled under the Collective Bargaining Agreement. In addition, employees who accrue 1040 hours or more of continuous service after July 1, 1987 shall have the following rights.

1. Upon expiration of their appointment, employees shall have the right to place their names on recall lists for future permanent employment and shall have recall rights in accordance with Article 13. Upon recall, employees shall be considered as new hire for the purposes of relocation and travel expense reimbursement.
2. Upon expiration of their appointment, employees shall have the right to be recalled to a limited term position in seniority order in the district in which they were employed in the previous year if the Department intends to fill limited term positions. Upon recall, employees shall be covered by applicable Travel Regulations.

Office of the State Employer

United Technical Employees
Association

George G. Matish

Joseph Cohn

Bea Goree

Michigan Department of Transportation

John Lopez

Date: October 19, 1987

LETTER OF UNDERSTANDING

ARTICLE 16—ASSIGNMENT AND TRANSFER

The parties agree that entry level (8) Technician position vacancies in the Michigan Department of Transportation (MDOT), which are filled as a result of the formal MDOT recruitment process conducted at colleges and universities, are exempt from the provisions of Article 16, Section 5.A.3.

The parties further agree that the remaining provisions of Article 16, Section 5.A will be exhausted prior to making any contingent offer of employment to a graduating candidate during the formal MDOT recruitment process and, upon acceptance of the contingent offer of employment by said candidate, the entry level Technician vacancy will be considered filled.

The parties also agree that, upon acceptance of the contingent offers of employment, MDOT will provide to the union a list of the successful candidates and the locations of the positions to be filled.

This Letter of Understanding is entered into for the term of the agreement unless the parties mutually agree to extend it during negotiations in 2007.

FOR THE UNION

Jerry Ketchum, President

SEIU LOCAL 517M, TECHNICAL UNIT

FOR THE EMPLOYER

David H. Fink, Director

Office of the State Employer

LETTER OF UNDERSTANDING

Article 16 - Transfers and Reassignments

During the course of the 1987 negotiations, the parties reached the following understanding regarding the implementation of Article 16 in the Department of Transportation only.

1. In considering applicants for transfer, the Department shall select the most senior qualified candidate in accordance with Article 16.
2. In considering reassignments, the Department shall select the least senior qualified candidate in accordance with Article 16.
3. "Qualified" shall be defined as: "Completion, in an approved manner, of all training required to perform the task or job, or performance of the requirements of the task or job, or performance of the task or job itself within the preceding twelve (12) month period."
4. For purposes of this Letter, qualification shall only be considered for individual employees at the lead worker level or above where there is no element system in place.

Office of the State Employer

George G. Matish

United Technical Employees Association

Joseph Cohn

Bea Goree

Michigan Department of Transportation

John Lopez

Date: October 19, 1987

LETTER OF UNDERSTANDING

Between the Michigan Department of Transportation and the United Technical Employees Association

Re: Short Term Inter-District Reassignments

As a result of discussions between MDOT and UTEA the parties have agreed that the following procedure shall apply to all short term, inter-district reassignments of MDOT Construction Division personnel covered under the Collective Bargaining Agreement existing between UTEA and the State of Michigan.

1. Short term reassignments are hereby defined as the reassignment of an employee from his/her current work location to a different work location for a period of one construction season (April 1 - November 30).
2. In the event MDOT determines that short term reassignments are to be implemented, the following procedure will be used:
 - a. MDOT will determine the work location(s) from which employees are to be reassigned.
 - b. MDOT will determine the work location(s) to which employees are to be reassigned.
 - c. MDOT will determine the number of employees, the classification(s), level(s), and the work elements required for an employee to be eligible for reassignment.
 - d. MDOT will seek volunteers from among the eligible employees at the work location(s) which has/have been identified as over staffed.
 - e. Eligible employees will be selected on the basis of seniority beginning with the most senior employee.
 - f. In the event there are not enough volunteers, employees will be selected on the basis of inverse seniority beginning with the least senior eligible employee.

3. No employee covered by this agreement will be subject to more than one (1) short term, inter-district reassignment per construction season.
4. The length of the reassignment may be extended by mutual written agreement of MDOT and the individual employee.
5. Each reassigned employee will be entitled to expenses for full the duration of the reassignment.
6. Each employee will be returned to his/her previous work location at the end of the reassignment period.
7. The parties agree that the advance notification requirement contained in the Collective Bargaining Agreement shall not apply to the short term reassignments covered by this Letter of Understanding. However, MDOT agrees that it will give affected employees a minimum of five (5) calendar days notice.
8. All personnel transactions covered under this agreement will be documented before or immediately following the reassignment. Copies of all documents will be placed in the employee's personnel file.
9. Overtime will be handled in accordance with Article 17, Section 14, and the accompanying Letter of Understanding. Individuals will be equalized in the overtime equalization unit in which they spent the majority of their time in a calendar year.

United Technical Employees Association

Office of the State Employer

Joseph Cohn

Sharon J. Rothwell

Date: June 6, 1994

June 20, 1994

LETTER OF UNDERSTANDING

Human Resources Management Network (HRMN)

During negotiations in 2001 the parties reviewed changes in terminology that resulted from the implementation of the new payroll-personnel system HRMN. The parties have elected to continue to use terminology that existed prior to the implementation of HRMN even though that same terminology is not utilized in HRMN. The parties agree that the HRMN terminology does not alter the meaning of the contract language unless specifically agreed otherwise.

An example of this are the terms "transfer, reassignment, and demotion" which are called "job change" in HRMN. The HRMN history record will show each of these transactions as a job change, however they will continue to have the same contractual meaning they had prior to the implementation of HRMN.

FOR THE UNION

FOR THE EMPLOYER

Dennis L. Streeter

Janine M. Winters

LETTER OF UNDERSTANDING
ARTICLE 29—DRUG AND ALCOHOL TESTING

During the negotiations in 2004, the parties discussed reducing the percentage of employees who are subject to non-OTETA random drug and/or alcohol testing. The Employer agreed to reduce the number of random tests to 10% of the number of test-designated positions in the pool for a one-year period beginning in October 2005. If after one year there is a significant increase in the percentage of positive tests, the Employer reserves the right to return to 15%. If there is a significant reduction in the percentage of positive test results, the employer will meet with the Union to discuss the issue of further reduction in the percentage of employees randomly tested.

For The Union

For The Employer

LETTER OF UNDERSTANDING
UNION USE OF STATE'S E-MAIL SYSTEM

Where access to the state's e-mail system is otherwise available, the Employer agrees to permit use of the state's existing e-mail system by union staff, union officers and union stewards for legitimate union business. Any use of the state's e-mail system by a bargaining unit employee for legitimate union business must take place on non-work time only, including the review of any such union materials transmitted.

All legitimate union business transmitted through the state's e-mail system must be clearly identified as a union communication in the subject line, and must be of a reasonable size, volume, and frequency. The employer shall have no liability to the union or an employee for the delivery or security of such transmittals.

No partisan political, or profane materials, or materials related to union elections, or materials defamatory or detrimental to the state, to the union, or to an individual employee, may be transmitted through the state's e-mail system. The Employer reserves the right to block any and all such material. The state's e-mail system is not private and may be monitored at any time.

In the event the Office of the State Employer determines that the Union's use of the state's e-mail system violates provisions of this Letter of Understanding, upon notice from the Office of the State Employer, the Union shall promptly take steps to correct the violation. In the event of a repeat violation, the Office of the State Employer and the Union shall meet and resolve the issue.

The program will continue for the duration of the agreement unless the Office of the State Employer identifies problems that cannot be resolved after meeting with the union. The Office of the State Employer reserves the right to cancel the program if the parties fail to resolve any identified problem(s).

For The Union

For The Employer

Dennis Streeter 11-04-04

Cheryl Schmitt diel 11-04-04

LETTER OF UNDERSTANDING BANKED LEAVE TIME PROGRAM

1. Eligibility.

Permanent and limited-term, full-time, part-time, seasonal, and intermittent, probationary and non-probationary employees shall be required to participate in the banked leave time program (program). Non-career employees are not eligible to participate in the program.

2. Definitions and description of program.

An eligible employee shall work a regular work schedule, but receive pay for a reduced number of hours. The employee's pay shall be reduced by four (4) hours per pay period for full-time employees, and by a pro rata number of hours for less than full-time employees. The employee will be credited with a like number of Banked Leave Time (BLT) hours for each biweekly pay period.

3. Hours Eligible For Conversion To Program.

The number of BLT hours for which the employee receives credit shall be accumulated and reported periodically to participating employees. During the term of this letter of understanding, an employee shall not be able to accumulate in excess of 184 BLT hours. Accumulated BLT hours shall not be counted against the employee's annual leave cap, known as part a hours under the annual and sick leave program.

The employee shall be eligible to use the accumulated BLT hours in a subsequent pay period in the same manner as annual leave, pursuant to article 25.

4. Timing Of Conversion Of Unused Program Hours.

Upon an employee's separation, death or retirement from state service, unused BLT hours shall be contributed by the state to the employee's account within the state of Michigan 401(k) plan, and if applicable to the State of Michigan 457 plan. Such contributions shall be treated as non-elective employer contributions, and shall be calculated using the product of the following: (i) the number of BLT hours and, (ii) the employee's base hourly rate in effect at the time of the contribution.

If the amount of a projected contribution would exceed the maximum amount allowable under section 415 of the internal revenue code (when combined with other projected contributions that count against such limit), the state shall first make a contribution to the employee's account within the State of Michigan 401(k) plan up to the maximum allowed, and then make the additional contribution to the employee's account within the State of Michigan 457 plan.

5. Insurances, Leave Accruals And Service Credits.

Retirement service credits, overtime compensation, longevity compensation, step increases, continuous service hours, holiday pay, annual and sick leave accruals will continue as if the employee had received pay for the BLT hours. Premiums, coverage and benefit levels for insurance programs (including LTD) in which the employee is enrolled will not be changed as a result of participation in the program. Employees shall incur no break in service due to participation in the program. Subject to legislative approval, the program is not intended to have an effect on the final average compensation calculations under the state's defined benefit plan nor the salary used for employer contribution calculations under the state's defined contribution plan.

6. Relationship To Plan A And Plan C.

Before incurring unpaid Plan A or plan C hours all BLT hours must be exhausted.

7. Term.

The program shall be effective the pay period beginning January 2, 2005. The pay reduction and accrual provisions of this Letter of Understanding shall be in effect through the pay period ending October 22, 2005 unless extended by mutual agreement of the parties.

For The Union

For The Employer

Jerry Ketchum 10-28-04

Cheryl Schmitt diel 10-28-04

**LETTER OF UNDERSTANDING
SEIU LOCAL 517M TECHNICAL UNIT**

The parties agree that employees in the Technical Bargaining Unit classified as state worker 4 may work up to 1,040 hours in a calendar year. The parties further agree that employees in the Technical Unit assigned to MDOT Civil Engineer or Technician co-op positions as permitted under Article 27, Section 4 of the Agreement, may work up to 2,080 hours in a calendar year.

For The Union

For The Employer

Jerry Ketchum 09-29-04

David H. Fink 09-29-04

LETTER OF AGREEMENT
SEIU 517M, Technical Unit
And
State of Michigan, Office of the State Employer
Article 25
Annual Leave Donation

The parties agree that having a uniform process for donation and receipt of annual leave across State government would increase efficiency and understanding of the procedure.

Following approval of this Agreement, the parties agree to address this issue in the Labor/Management Health Care Committee forum(s) to attempt to remove inconsistencies in the processes and draft a uniform procedure.

Proper subjects to be addressed at this meeting include, but are not limited to:

Conditions under which leave can be received and

Conditions under which leave can be donated, and

The procedure for making such a request.

Any changes that would modify the Collective Bargaining Agreement would be implemented in a separate Letter of Understanding that would be submitted to the Civil Service Commission for approval.

For the Union

For the Employer

LETTER OF UNDERSTANDING
Joint Healthcare Committee

During the 2011 negotiations, the parties discussed the mutual goal of designing and implementing health care plans, including ancillary plans, that effectively manage costs and that work to keep members healthy. To that end, the Employer and the Unions will convene a Joint Healthcare Committee (the "Committee") whose charges will include, but not be limited to:

- a. Analysis of current plan performance identifying opportunities for improvement;
- b. Investigate potential savings opportunities from re-contracting pharmacy or other carrier contracts;
- c. Review the current specialty pharmacy program and identify best-in-class specialty programs to use as a benchmark;
- d. Analyze current HMO plans to determine if they are a cost-effective means of providing high quality health care;

- e. Investigate impact on outcomes and costs of Value Based Benefit Designs;
- f. Identify opportunities for cost-containment programs and carve out programs;
- g. Investigate opportunities to save costs by modifying or otherwise limiting medical, professional and pharmacy networks;
- h. Review current chronic care management programs to determine effectiveness as well as ongoing member compliance;
- i. Investigate work place health and wellness programs and make recommendations with the goal of educating and motivating employees toward improved health and wellbeing;
- j. Make recommendations to increase voluntary participation in health and wellness screenings and benefits included in current health plans;
- k. Identify educational opportunities relative to facility and professional provider quality data, as well as designated centers of excellence.

As mutually agreed by the parties, independent subject matter experts and consultants may be called upon to assist the Committee in carrying out their charges.

Within 30 days of the effective date of the Agreement, each union shall appoint a representative to serve on the Committee and the Employer shall designate up to four representatives. The Committee will be jointly chaired by a representative designated by OSE and a representative designated by the Unions.

Monthly meetings of the Committee shall be scheduled with the first being held no later than 45 days following the effective date of the Agreement.

LETTER OF UNDERSTANDING

NEOGOV

During the course of negotiations in 2011, the parties discussed the changes in technology related to the hiring process; specifically the NEOGOV system. The parties have agreed to explore the use of this technology for mutually beneficial opportunities in order to streamline the transfer request process. Any changes that would modify the Collective Bargaining Agreement would be implemented in a separate Letter of Understanding that would be submitted to the Civil Service Commission for approval.

For the Union:

For the Employer:

LETTER OF UNDERSTANDING

New Solutions Committee

During the 2011 negotiations, the parties discussed the role of labor management cooperation and collaboration in providing more efficient delivery of services to the citizens of Michigan. The parties recognize that the efficient delivery of services to the public should be mindful of the cost effectiveness, quality of delivery, accountability and public interest. The discussion encompassed the Unions' New Solutions Report, which encourages all stakeholders to work together in an open dialogue manner to achieve best in class public service.

The parties agreed to approach the New Solutions Report jointly with the goal of facilitating the development of positive programs relative to the effective use of resources. Such effective use of resources may include self-directed work teams or other empowerment initiatives as agreed by the parties to provide front line workers with the support needed to effectively perform their jobs.

The parties recognize that Lean Optimization can be a valuable tool in achieving the effective use of resources. Lean Optimization has the simple goal of helping state government work better for both its customers and its employees. Lean practices rely on joint participation between employees and management at all levels within the State. World class service cannot occur without such employee involvement.

Within sixty (60) days of the effective date of the Collective Bargaining Agreement, a New Solutions Committee will be established to explore innovative solutions to deliver better customer service and pursue better value from those who deliver the services. Each of the Coalition Unions may designate two (2) representatives to meet with the Office of the State Employer. Representatives from the Departments and/or the Civil Service Commission may participate as needed. The Committee will determine the meeting schedule and agenda. The parties agree on the value of utilizing outside independent facilitators trained in business lean practices and will explore funding alternatives to engage mutually agreed upon lean consultants.

LETTER OF INTENT

The Office of the State Employer

And

SEIU 517M, Technical Unit

Article 17, Section 15.B

During negotiations in 2011, the parties discussed the new Transportation Technician classification and the impact on the overtime equalization provision under Article 17, Section 15.B, of the Collective Bargaining Agreement. The

parties reached a meeting of the minds regarding overtime equalization for Transportation Technicians; however, that agreement was not included in the final version of Article 17. It was the Intent of the parties that any change in the method of overtime distribution shall begin with the next overtime equalization year. Consequently, the Michigan Department of Transportation began the 2012 overtime equalization year using the existing method of overtime equalization.

It is the intent of the parties to continue the current method of overtime equalization through December 31, 2012 and implement and adhere to the agreed upon changes effective January 1, 2013:

Through December 31, 2012, the method of overtime distribution for Department of Transportation employees is as follows:

(1) Overtime equalization units are:

- a. All Transportation Technicians 12 at a worksite
- b. All permanent Transportation Technicians 8-E11 at a worksite
- c. All temporary Transportation Technicians 8-E11 at a worksite
- d. All Transportation Aides 6-E7 at a worksite
- e. At the MDOT building in Lansing, all Transportation Technicians 11 and below in the same Unit.

Effective January 1, 2013, the method of overtime distribution for Department of Transportation employees shall be as follows:

(1) Overtime equalization units are:

- a. All Transportation Technicians 11 and 12 at a worksite
- b. All permanent Transportation Technicians 8-10 at a worksite
- c. All temporary Transportation Technicians 8-10 at a worksite
- d. All Transportation Aides 6-E7 at a worksite
- e. At the MDOT building in Lansing, all Transportation Technicians 11 and below in the same Unit.

For the Union

For the Office of State Employer

For the Department of Transportation

LETTER OF UNDERSTANDING

Article 27, Section 4 Travel and Moving Expense Reimbursement

During negotiations in 2013, the parties discussed concerns related to Schedule II of the MDOT Travel Regulations. The parties agree to delegate Schedule II to secondary negotiations in accordance with Article 23, Section 10 of the Collective Bargaining Agreement.

For the Union

For the Employer

LETTER OF UNDERSTANDING

Article 4 Union Dues Deduction and Remittance

During 2013 negotiations, the parties recognized that challenges have been made to the application of Public Act 349 of 2012 (the public sector “right to work” law) to employees in the classified service. The parties also recognize that challenges have been made to the overall legality of Public Act 349. This contract amends Article 4 to be consistent with Public Act 349.

If Public Act 349 is held to be unconstitutional, repealed or in any way modified by a state or federal court of final jurisdiction, the language in Article 4 of this contract shall revert to the language of Article 4 of the 2011-2013 contract.

LETTER OF UNDERSTANDING

Article 27

During the negotiations in 2013 the parties discussed the requirement in Article 27 to attach the receipt for any reimbursed meal to the request for travel reimbursement for actual expenses up to the maximum reimbursable rate as provided in Article 27.

The Employer and Union agree to implement a pilot program to suspend the requirement to attach meal receipts to such requests. Since travel reimbursement is subject to departmental review, it remains the employee’s responsibility to maintain supporting documentation of actual meal expenses incurred for which reimbursement from the Department was received.

The pilot program will continue for the duration of the Agreement unless the Office of the State Employer identifies problems that cannot be resolved after meeting with the Union. The Employer reserves the right to reinstate the requirement for receipts at any time during the pilot program if the parties fail to resolve any identified problems.

FOR THE UNION

FOR THE EMPLOYER