

MICHIGAN STATE UNIVERSITY

**Letter of Agreement
Between
Michigan State University,
And
AFSCME Local 1585**

WHEREAS, the parties acknowledge and agree that neither Michigan State University (hereinafter "the University" or "the Employer") nor AFSCME Local 1585 (hereinafter "the Union") is under any obligation to engage in mid-contract term negotiations or discussions but at the request of the University, the Union voluntarily agreed to undertake such discussions;

WHEREAS, the parties acknowledge and agree that the coronavirus/COVID-19 pandemic health and economic conditions constitute unforeseen circumstances requiring emergency response;

WHEREAS, the parties have worked to come to an understanding in the best interests of the University and its employees;

NOW THEREFORE, as a result of discussions between the Parties, the following is hereby agreed between the University and the Union. The Union and the University agree this Letter of Agreement is part of the parties' collective response to the coronavirus/COVID-19 pandemic and will not set precedent in any other matter.

1. The University may temporarily place any employee on an unpaid furlough for up to six (6) months commencing on or after May 10, 2020. All unpaid furloughs under this Letter of Agreement must end as of December 31, 2020. April 1, 2020 shall be used to define an employee's seniority unit, primary work location and classification for the purpose of this Letter of Agreement. April 1, 2020 shall also be used to define leave status under Paragraph 2.b. of this Letter of Agreement. Routine changes that occurred after April 1, 2020 such as awarding a job or granting a leave under the terms of the Agreement, will be continued and the resulting effective date will be used.
 - a. The University may select the employees to be placed on furlough based on operational needs, including financial exigency or lack of work which is expected to be temporary, which are caused by, or related to, the coronavirus/COVID-19 health crisis.



Human Resources

Employee Relations

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- b. The University shall honor employee requests to volunteer to be placed on an unpaid furlough unless operations do not allow for that employee to be placed on an unpaid furlough. In such a case, the University shall provide a written statement of the reasons for its decision to the employee and the Union. The parties agree that there will be no impact on any rights under this Letter of Agreement as a result of volunteering for furlough.**
- c. Temporary and probationary employees in:
 - i. a seniority unit (as defined in paragraph 11 of the parties 2018 to 2022 Collective Bargaining Agreement) and**
 - ii. within a primary work location that is affected by unpaid furloughs and**
 - iii. the effected classification**will be furloughed before non-probationary Employees within the same area are furloughed provided the seniority employees can do the available work.**
- d. Seniority employees will be furloughed according to bargaining unit seniority within:
 - i. a seniority unit (as defined in paragraph 11 of the parties 2018 to 2022 Collective Bargaining Agreement) and**
 - ii. within a primary work location that is affected by unpaid furloughs and**
 - iii. the effected classification**provided the greater seniority employees are able to perform the available work.**
- e. Any seniority provisions for those holding union offices which are stated in the applicable Collective Bargaining Agreement shall continue to apply.**
- f. The University may not select an employee for unpaid furlough for reasons that would constitute discrimination against any protected classification recognized by law or University policy, including those who have engaged in concerted protected activity under Michigan's Public Employment Relations Act.**
- g. The University shall provide seven (7) calendar days' notice before placing any employee on an unpaid furlough. This notice may be provided electronically. The Union President and District Steward will receive a list from the Employer of the employees being furloughed via e-mail on the same date the notices are issued to the employees.**
- h. Unpaid furloughs shall be commenced at the start of the employee's work week and shall end at the end of an employee's work week.**
- i. An unpaid furlough is intended to last at least thirty (30) calendar days and may not be used to rotate (toggle) employees between unpaid furlough and active status.**

- j. The University shall not utilize any on-call employee(s) or retain any new outside agency to perform exclusive bargaining unit work in any Seniority Unit in which any Local 1585 seniority employee is, or Local 1585 seniority employees are, on unpaid furlough.
- 2. The University will continue health insurance, Basic life insurance and dental benefits for those employees in benefits eligible positions who are placed on unpaid furlough. Such coverage will be subject to employee enrollment and eligibility. Employees will be required to make any monthly contributions as required prior to the employee's placement on unpaid furlough.
 - a. In recognition of the provisions of the MSU/Coalition Health Care Agreement, for purposes of determining the Base Wage Factor Average, the following will apply to the calculation:
 - i. The health care costs of employees on unpaid furlough will be counted in the Health Care Cost Experience used as the numerator of the calculation.
 - ii. The total number of employees on unpaid furlough will be counted as part of the total eligible used in the denominator of the calculation.
 - b. The continuation of health care under this Letter of Agreement shall only apply to those specifically placed on an unpaid furlough under this Letter of Agreement and not to those who have already been laid-off or who are on other forms of leave, paid or unpaid.
 - c. If any support staff union (APA, APSA, CTU, POAM, SSTU, IATSE Local 274 or IUOE Local 324) is granted Employer-paid health insurance during a period of layoff (and said grant of Employer-paid health insurance during a period of layoff is beyond their normal policy or contract terms) and said union (or Unions) has not (or have not) entered into an Agreement similar to this LOA, which modified terms of employment, Local 1585 employees shall be granted the same amount of paid health care during a period of layoff *in addition* to that granted in this Letter of Agreement during an unpaid furlough.
 - 3. Employees shall not be required to use or permitted to use accrued leave time when placed on unpaid furlough. Employees placed on unpaid furlough shall maintain their leave time while on unpaid furlough. However, any unused personal time for fiscal-year 2019-2020 shall be paid out to an employee placed on unpaid furlough prior to June 30, 2020 with such payment to be made prior to July 31, 2020.
 - 4. Employees placed on unpaid furlough will not have access to any payments attributed to being laid-off, including severance payments, Layoff Transition Payments, or the payment of unused sick, personal or vacation time. Employees may access such payments if the furlough is turned into a layoff (as defined in Article 21 of the parties 2018 to 2022 Collective Bargaining Agreement) as described in paragraphs 8 and 10 below.

- d. Employees who are recalled from a furlough may be required to successfully pass a physical examination to be taken at the Health Center before they return to work.
 - e. The employees shall have seven (7) calendar days to report back for duty after recall or shall be deemed to have resigned. In exceptional cases, the employee may request an additional seven (7) calendar days before reporting to work. The University shall have the right to refuse such a request, but a request shall not be refused for reasons that are arbitrary, capricious or discriminatory. A refusal to accept the recall to an offered position shall also be deemed to be a resignation.
- 7. Employees on unpaid furlough shall not be entitled to any recall under the current collective bargaining agreement but may apply for open jobs as an internal candidate. Any recall rights from an unpaid furlough under this Letter of Agreement shall be forfeited if the employee voluntarily accepts another position at the University.
- 8. An unpaid furlough may be transformed into a layoff (as defined in Article 21 of the parties 2018 to 2022 Collective Bargaining Agreement) by providing the employee the layoff notice required under the current collective bargaining agreement. The employee will then have all rights (seniority selection for layoff, to displace by grade level, payouts, etc.) as would otherwise apply under the current collective bargaining agreement. If the person selected for layoff under applicable contractual provisions is already on an unpaid furlough, the University may choose to satisfy the notice period by paying that employee for the length of the notice period without returning the employee to duty. Time spent on an unpaid furlough shall not count towards the maximum recall period for retaining bargaining unit seniority. An employee who is notified of a layoff under the terms of the Collective Bargaining Agreement shall have layoff rights for up to two (2) years from the date of the layoff notice as provided in the current collective bargaining agreement.
- 9. Any temporary or end-dated employee whose scheduled end of employment occurs during a furlough will be considered to have been terminated due to the expiration of their term of employment. No notice shall be provided in such a case.
- 10. Employees who are not returned to work after being on unpaid furlough for six (6) months shall be deemed to have been notified of layoff (as defined in Article 21 of the parties 2018 to 2022 Collective Bargaining Agreement) at the end of said six (6) month period.
 - a. An employee shall then have any rights (seniority selection for layoff, to displace by grade level, payouts, etc.) as would otherwise apply under the current collective bargaining agreement.
 - b. If the person selected for layoff under applicable contractual provisions is already on an unpaid furlough, the University may choose

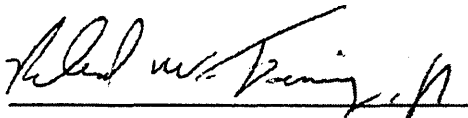
- a. Employees who elect to resign employment with the University during an unpaid furlough will be paid for accruals (vacation and sick time as provided in the current collective bargaining agreement) as if they resigned from active employment.
 - b. Employees who elect to retire from the University during an unpaid furlough will be paid for accruals (vacation and sick time as provided in the current collective bargaining agreement) as if they retired from active employment.
5. Employees on an unpaid furlough will continue to accrue University and bargaining unit seniority which will be reflected on the seniority list in the seniority unit. If the employee is eligible based on a date of hire, time on furlough shall also count toward eligibility for the University's contribution for retirement health care. Employees will accrue Full-Time Equivalent (FTE) Service Months, but not Vacation Service months, while on an unpaid furlough. Employees on an unpaid furlough will not accrue vacation or sick leave. Employees who are placed on an unpaid furlough prior to July 1, 2020 shall receive the full allotment of personal time for fiscal year 2020-2021 upon return to work or July 1, 2020 whichever is later. Only one allotment of twenty-four (24) hours of personal time may be received for any fiscal year.
6. Recall from furlough shall be done in accordance with the following:
 - a. The University shall have the right to recall employees from an unpaid furlough within:
 - i. an effected seniority unit (as defined in paragraph 11 of the parties 2018 to 2022 Collective Bargaining Agreement) and
 - ii. the primary work location that was affected by unpaid furloughs and
 - iii. the effected classificationprovided the greater seniority employees are able to perform the available work.
 - b. Seniority employees within the area defined in Paragraph 6.a. above will be recalled from furlough before probationary or temporary employees are recalled within the same area defined in Paragraph 6.a. Temporary and probationary employees may be recalled from furlough in any order provided the first sentence of this Paragraph 6.b. has been satisfied. Provided, however, that RHS may use any temporary employee, including from different work locations, to return a work location to operations if no regular 1585 seniority employees from the work location being returned to operations remain on an unpaid furlough.
 - c. It is understood that the position to which an employee is recalled may involve different duties, hours, and supervision.

to satisfy the notice period by paying that employee for the length of the notice period without returning the employee to duty.

- c. Time spent on an unpaid furlough shall not count towards the layoff notice period required under the current collective bargaining agreement. An employee who is notified of a layoff under the terms of the Collective Bargaining Agreement shall have layoff rights for up to two (2) years from the date of the layoff notice as provided in the current collective bargaining agreement.
11. The University agrees not to challenge any non-fraudulent filing for unemployment benefits for any person placed on an unpaid furlough under this Agreement.
12. The Union agrees to withdraw and/or waive any grievance, arbitration demand, complaint, charge, lawsuit, or challenge of any type concerning the terms above. The Unions further agree to withdraw and/or waive any grievance, arbitration demand, complaint, charge, lawsuit, or challenge of any type raising any alleged obligation to bargain over:
- a. the decision, and effects thereof, not to implement the University's policy concerning modified operations;
 - b. decisions to, and effects thereof, requiring or not allowing employees to report for work;
 - c. decisions to, and effects thereof, requiring employees to use accumulated time or prohibiting such use;
 - d. and/or any decisions to, and effects thereof, the implementation of any federal, state county or local law, rule regulation or order related to the coronavirus and/or COVID-19.
 - e. The Union reserves all its rights to grieve or challenge in any way, the enforcement of the terms of this LOA.
 - f. This Paragraph 12 shall not apply to grievances MB-12-20, MB-13-20, MB-14-20.
13. The parties agree the terms of this agreement are unique to the situation presented by the global coronavirus/COVID-19 pandemic and shall not set any form of precedent in any other matter.

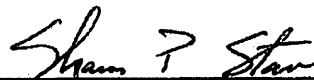
FOR THE EMPLOYER

FOR THE UNION



Richard W. Fanning, Jr., Director
Office of Employee Relations

Date: May 23, 2020



Shawn Starr, President
AFSCME Local 1585

Date: 5/27/2020