

MEMORANDUM OF AGREEMENT

THIS AGREEMENT is entered into by and between the State of Rhode Island and the Howard Union of Teachers, Local 1171.

WHEREAS, the State of Rhode Island is contending with a fiscal crisis of historic proportions characterized by diminishing tax revenues, projected substantial annual budget deficits and extremely high unemployment; and

NOW THEREFORE, in the best interests of the parties and to avoid an interruption of State services to the citizenry, on this 26th day of February, 2010, it is hereby agreed by and between the State of Rhode Island and the Union of Teachers, Local 1171, that the Collective Bargaining Agreements/Memoranda of Settlement for the period of July 1, 2007 through June 30, 2010 and July 1, 2010 through June 30, 2012 remain unchanged except as follows:

No Layoff, Shutdowns or Pay Reductions:

The State agrees that there shall be no layoffs, shutdown, furlough, or pay reduction days, other than those pay reduction days referenced herein, through June 30, 2011.

Pay Reduction FY 2010:

All employees shall receive four (4) one day pay reductions (each one equivalent to ten percent (10%) of the bi-weekly total salary rate, excluding overtime) to be effective in each of the payroll periods during fiscal year 2010 as designated below:

	Pay Period	Paycheck
1	2/28/10-3/13/10	3/19/10
2	3/28/10-4/10/10	4/16/10
3	4/25/10-5/8/10	5/14/10
4	5/23/10-6/5/10	6/11/10

Employees so affected will be entitled to accrue one and one quarter (1.25) additional days of paid leave (for a maximum of five (5) days) in each of the payroll periods identified above. This leave will accrue to part-time employees on a pro rated basis.

Employees may request to discharge this additional paid leave (Pay Reduction Leave "PR") commencing with any payroll period following the payroll period in which it was earned. These requests shall not be unreasonably denied. Employees may elect to carry no more than four (4) PR days solely for cash payment only upon termination from State service due to retirement, voluntary termination or death. Said cash payment for those days shall be at the employee's total pre-reduction hourly rate in effect for the pay period of 9/27/09-10/10/09 (paycheck of 10/16/09), regardless of when the cash payment is made. All other pay reduction leave accruals provided for in this agreement shall have no cash value whatsoever.

Balances of accrued vacation, sick and "deferred vacation" (a.k.a. Sundlun Days) leave shall be paid at the pre-reduction rate of pay to employees who terminate or retire from State service during a salary reduction period.

Salary Increase Delay:

The July 1, 2010/September 1, 2010 across the board salary increase provided for in the Collective Bargaining Agreement/Memorandum of Settlement in effect for the period of July 1, 2010 through June 30, 2012 shall not be effective until January 2, 2011/March 1, 2011.

Pay Reduction FY 2011:

All employees shall receive eight (8) one day pay reductions (each one equivalent to ten percent (10%) of the bi-weekly total salary rate, excluding overtime) to be effective in each of the payroll periods during fiscal year 2011 as designated below:

	Pay Period	Paycheck
1	8/29/10-9/11/10	9/17/10
2	10/10/10-10/23/10	10/29/10
3	11/07/10-11/20/10	11/26/10
4	1/30/11-2/12/11	2/18/11
5	2/27/11-3/12/11	3/18/11
6	3/27/11-4/09/11	4/15/11
7	4/24/11-5/7/11	5/13/11
8	5/22/11-6/4/11	6/10/11

Employees so affected will be entitled to accrue one and one quarter (1.25) additional days of paid leave (for a maximum of ten (10) days) in each of the payroll periods identified above. This leave will accrue to part-time employees on a pro rated basis.

Employees may request to discharge this PR commencing with any payroll period following the payroll period in which it was earned. These requests shall not be unreasonably denied. Employees may elect to carry no more than four (4) PR days solely for cash payment only upon termination from State service due to retirement, voluntary termination or death. The value of said Pay Reduction Days will depend upon when the employee terminates his or her State service due to retirement, voluntary termination or death. For those employees who terminate from State service due to retirement, voluntary termination or death on or after 1/2/2011, the cash payment for those days shall be at the employee's total pre-reduction hourly rate in effect for the pay period of 1/2/2011-1/15/2011 (paycheck of 1/21/2011), regardless of when the cash payment is made. For employees who terminate from State service due to retirement, voluntary termination or death on or before 1/1/2011, the cash payment for those days shall be at the employee's total pre-reduction hourly rate in effect for the pay period of 9/27/09-10/10/09 (paycheck of 10/16/09), regardless of when the cash payment is made.

Balances of accrued vacation, sick and "deferred vacation" (a.k.a. Sundlun Days) leave shall be paid at the pre-reduction rate of pay to employees who terminate or retire from State service during a salary reduction period.

Voluntary Leave Without Pay:

An employee may also voluntarily request leave without pay subject to his/her supervisor's approval. Employees who make such a request shall not accrue any additional days of paid leave for electing voluntary leave without pay.

Reorganization, Elimination or Consolidation of Functions:

Through June 30, 2011, the parties agree that an Appointing Authority (Agency Director/Head) has the right to transfer an employee between programs under his/her authority and/or, with the approval of the Director of Administration, transfer an employee from one agency to another due to transfer, reorganization, elimination or consolidation of functions, programs, units, divisions or departments within the Executive Branch subject to the following:

The union recognizes the State's right to transfer, reorganize, eliminate or consolidate functions, programs, units, divisions or departments within the Executive Branch.

Upon issuance of a memorandum from the Director of Administration setting forth the rationale necessitating said action, the State shall notify the respective Executive Director/Key Union Official at least fifteen (15) calendar days in advance of notification to bargaining unit members of its intention to transfer, reorganize, eliminate or consolidate functions, programs, units, divisions or departments.

The Union and the State shall meet within this fifteen (15) day period to discuss proposed alternatives. The Union shall be given access to pertinent information related thereto. The Union cannot grieve the inability of the parties to agree to the transfer, reorganization, elimination or consolidation of functions, programs, units, divisions or departments.

The affected employee and the union shall receive at least thirty (30) days written notice of the transfer unless extenuating circumstances are demonstrated by the affected employee. Provided, however, in no event shall the notice period be more than sixty (60) days.

The State agrees to offer available transfer assignments as identified by the State to the affected employee(s) based on primary seniority. The affected employee may:

1. Elect the available transfer assignment or
2. Displace the least senior employee in his/her classification in his/her current Division on the basis of primary seniority, if available.
3. Should there be no least senior employee in his/her classification in his/her current Division on the basis of primary seniority, then the affected employee may elect to

displace the least senior employee in his/her classification in his/her current Department on the basis of primary seniority, if available.

4. The employee so displaced shall accept the transfer assignment offered by the State.
5. If there is no employee with less primary seniority in his/her current Division or Department, the affected employee shall accept the transfer assignment offered by the State.

The parties acknowledge that, for the limited term of this Agreement, the terms set forth above shall be in lieu of the provisions of the collective bargaining agreement that address layoff and bumping, job abolishment, reassignment, transfer, consolidation or reorganization.

The State shall recognize primary seniority of employees for the purpose of vacation scheduling and overtime assignments within the unit/location assignment.

No employee shall sustain a reduction in wages, hours or health benefits as an accompaniment to such transfer assignment.

When an affected employee is transferred, he/she will remain in his/her respective bargaining unit until the employee vacates the position. When an employee's position is vacated for any reason, including but not limited to resignation, retirement, discharge, death or promotion, the State may post the position. Said positions that are posted by the State will be posted in the following manner:

- a) In accordance with the seniority provisions of the collective bargaining agreement applicable to the transferred employee;
- b) The posting shall reflect the salary information of the collective bargaining agreement covering that classification at that Agency/Division and include language advising of the provisions set forth in sections a above and sections d and f below.

- c) Copies of such postings will be provided to the union covering the transferred employee and to the union covering that classification at that Agency/Division;
- d) Upon appointment, the position and the employee newly filling the position will be assigned and accreted to the collective bargaining unit covering that classification at that Agency/Division and the position will thereafter remain within that collective bargaining unit and the parties will work cooperatively to file the necessary documentation with the Labor Board;
- e) The employee's primary, secondary and State seniority shall all be determined in accordance with collective bargaining agreement covering that classification at that Agency/Division;
- f) If there are no qualified applicants for the position within the time limit contained in the applicable collective bargaining agreement covering the transferred employee, the vacant position will be filled in accordance with the collective bargaining agreement covering that classification at that Agency/Division;
- g) In no event shall the State change the bargaining unit affiliation of any affected employee except as described herein; and
- h) In no event shall the State's decision not to post a position be used as a subterfuge to evade these limitations.

Effect on Retirement:

The effect of this Agreement on retirement contributions is governed by RIGL 36-10-10.4.

Ratification:

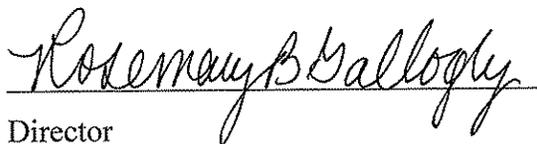
This Memorandum is subject to (a) union membership ratification no later than 9:00 a.m. on March 5, 2010 and (b) approval by the Governor of Rhode Island, or his designee.

The undersigned agree to recommend ratification and approval of this Memorandum. Absent such ratification, the proposal set forth herein and the Memorandum of Settlement dated 2/26/10 extending the Collective Bargaining Agreement through June 30, 2012, shall be null and void.

This Memorandum shall take effect upon ratification and shall be effective through June 30, 2012.

FOR THE STATE OF RHODE ISLAND:

FOR THE Howard Union of Teachers, AFT
Local 1171, AFL-CIO:



Director
Department of Administration



President