MEMORANDUM OF UNDERSTANDING
BETWEEN
THE STATE OF MINNESOTA
AND
AFSCME COUNCIL 5, AFL-CIO, MINNESOTA ASSOCIATION OF PROFESIONAL EMPLOYEES, MIDDLE MANAGEMENT ASSOCIATION, MINNESOTA NURSES ASSOCIATION, MINNESOTA GOVERNMENT ENGINEERING COUNCIL, AND STATE RESIDENTIAL SCHOOLS EDUCATION ASSOCIATION

This Memorandum of Understanding is made and entered into this 1st day of December, 2020, by and between the State of Minnesota and AFSCME, Council No. 5, AFL-CIO (hereinafter "AFSCME"), Minnesota Association of Professional Employees (hereinafter "MAPE"), Middle Management Association (hereinafter "MMA"), Minnesota Nurses Association (hereinafter "MNA"), Minnesota Government Engineering Council (hereinafter "MGEC"), and State Residential Schools Education Association (hereinafter "SRSEA").

WHEREAS, the Labor Agreements between the Employer and AFSCME, MAPE, MMA, MNA, MGEC, and SRSEA, do not provide for an early retirement incentive for most employees;

WHEREAS, the parties desire to offer an early retirement incentive to employees not currently eligible for one; and

WHEREAS, the parties recognize the State is projecting a budget deficit and an early retirement incentive is projected to provide savings to State agencies.

NOW THEREFORE, the parties hereto, acting through their respective agents, do hereby agree that Appointing Authorities may, at their discretion, elect to participate in and offer an Early Retirement Incentive (ERI) subject to the eligibility criteria identified below.

1. The incentive shall consist of One Thousand ($1,000) per complete year of State service, capped at $30,000. The incentive shall be paid in a lump sum into an employee's Health Care Savings Account. MMB will review and approve any Agency's Plan before the incentive is made available to employees.

2. Eligibility requirements include that an Employee must:
    a. Be immediately eligible at the time of separation to receive an annuity under a State retirement program; and,
    b. Be in a classified appointment (unclassified appointments require approval of MMB); and,
    c. Not be eligible for any other early retirement incentive, and;
    d. Have at least five years of continuous service at the time of separation; and,

e. Be employed in programs that are being permanently eliminated or reduced OR if the Appointing Authority determines that offering an ERI would lead to a vacancy of at least one year, and;
f. Retire on or before March 31, 2021 unless MMB, at its sole discretion, extends this timeline or permits an additional window of eligibility.

3. Any clarifications, exceptions or additions to the eligibility criteria will be considered by MMB on a case by case basis.

4. Any employee who receives an ERI may not rejoin State Service in a Classified Appointment for at least one year after separation. At the discretion of the appointing authority, employees may return into a Post-Retirement (PRO) appointment of limited duration for knowledge transfer after receipt of an ERI.

5. The terms of this MOU shall not be construed to establish any precedent between the parties and may not be offered as evidence in any grievance or arbitration proceeding, except in a proceeding arising from claims brought under this MOU. The parties shall not ever assert or claim that this MOU is a precedent in any current or future personnel action or administrative procedure or litigation of any kind.

6. The parties agree that this MOU constitutes the entire agreement between the parties on the matters addressed herein and it fully supersedes any and all prior agreements or understandings between them relating to the subject matter contained herein.

Jen Claseman, Dir. Labor Relations, MMB

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Signature

Jim Schowalter, Commissioner, MMB