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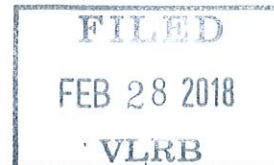
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February 28, 2018

**HAND DELIVERED**

Timothy J. Noonan, Executive Director  
Vermont Labor Relations Board  
13 Baldwin Street  
Montpelier, VT 05602



Re: VLRB Docket No. 17-44, Last Best Offers of State of Vermont – State of Vermont and Vermont State Employees’ Association

Dear Tim:

In accordance with 3 V.S.A. Ch. 27, Sec. 925(i), this is to advise that a collective bargaining dispute remains in effect between the State of Vermont (State) and the Corrections, Supervisory and Non-Management Units of the Vermont State Employees’ Association (VSEA). Consequently, the State hereby submits under seal its last best offer with regard to the issues at impasse between the parties which the State wishes to advance to the Board for its determination.

With regard to Duration, both parties propose a two-year agreement.

With regard to Salaries/Wages, the State proposes the continuation of the historic and continuing step advancement system currently in place for covered employees at an estimated new money expenditure of 1.9% for all employees except State Police Lieutenants, plus an across the board increase of 1.35% becoming effective as of the first full payroll period in January, 2019. For State Police Lieutenants, who have a different Step Plan, the State proposes the continuing step advancement system currently in place for covered employees at an estimated new money expenditure of 2.5%, plus an across the board increase of .60% across the board increase for the first year of the agreement, also effective in January, 2019.

For the second year of the agreement, the State proposes step continuation at 1.9% for all employees except State Police Lieutenants plus an across the board adjustment of 1.35%, effective as of the first full payroll period in January, 2020. For State Police Lieutenants the State proposes continuation of the step advancement system currently in place for covered employees at an estimated new money expenditure of 2.5% plus a .60% across the board increase, also effective in January, 2020.

For all three units, the State also proposes certain changes to the employees’ health care plan, as outlined in the attached contract language, that will have the effect of modestly bending the cost escalation curve while still providing covered employees with superlative “platinum” level coverage

The State also recommends the adoption of the recommendations made by the parties' Factfinder, Richard Boulanger, with regard to creation of a study committee regarding "Group C" employees, Release Time (modified to allow the use of paid leave), Exchange of Information, Discipline (modified, however, in that while the State is prepared to accept the recommendation that it provide notice to employees of personnel investigations within 30 days of the date Management knew or should have of the matter, it cannot accept the recommendation that such investigations must be concluded within 120 days), Observance of Holidays, Article 35 of the Supervisors Agreement regarding the notice period to call out from work and Personal Leave for Corrections, by providing a cash option.

The State opposes the implementation of any last best offer submitted by VSEA in addition to or in a greater amount than referenced in this submission.

Attached to this submission is the precise language that the State requests to be incorporated in the agreements corresponding to the positions above-referenced together with a Motion requesting the ability to submit live testimony concerning two critical parts of this proceeding.

As indicated, the Factfinder's Report will be submitted for the Board's review, as will the hearings transcript and the post factfinding hearing memoranda of both the State and VSEA.

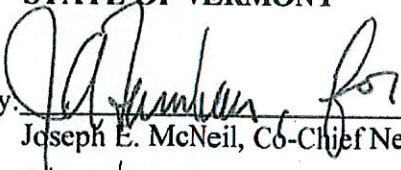
In addition to the opportunity for the submission of live testimony per the attached and referenced Motion, the State also requests that the Board permit the submission of additional information such as necessary costing data through affidavit.

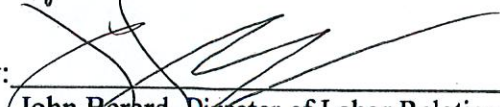
Once all appropriate evidence/information has been placed before the Board, the State also requests the opportunity for briefing or oral argument as the Board would prefer concerning the last best offers.

The State trusts that this submission is properly compliant with the obligations set forth in the statute relating to last best offers. It will of course participate in any pre-hearing conference scheduled by the Board or yourself as Executive Director.

Very truly yours,

STATE OF VERMONT

By:   
Joseph E. McNeil, Co-Chief Negotiator

By:   
John Berard, Director of Labor Relations  
Co-Chief Negotiator

400030/37/FF/LBO/Noonan 2-28-18

c: Susanne Young, Esq. Sec. of Admin.  
M. Beth Fastiggi, DHR Commissioner  
Joseph Farnham, Esq  
Colin K. McNeil, Esq.

ARTICLE 3  
VSEA RIGHTS

1. The Employer shall not enter into consultations, agreements, or informal discussions regarding employment relations matters with any other organization or individual purporting to represent any group of employees, and must not engage in any type of conduct which would imply recognition of any organization, group, or individual other than VSEA as a representative of the employees in any bargaining unit. This is not intended to supersede the provisions of 3 VSA Chapter 27, 941(j).

2. VSEA stewards shall be allowed to visit any State facility, worksite, or office in their designated areas of responsibility for the purpose of receiving or investigating grievances or complaints.

3. VSEA TIME OFF: Subject to the efficient conduct of State business, which shall prevail in any instance of conflict, permission for reasonable time off during normal working hours without loss of pay and without charge to accrued benefits shall not be unreasonably withheld. The VSEA shall provide written notice of the meeting and date to the Department of Human Resources, for those meetings outlined in subsection (a) – (fe) below, with as much notice as possible. Subject to the foregoing, time off shall be granted in the following instances to:

(a) Members of the VSEA Board of Trustees to attend twelve (12) regular Trustee meetings and up to two (2) special Trustee meetings a year.

(b) Members of the Council for attendance at any of the four (4) regular council meetings per year. The State may grant permission for attendance at not more than one (1) additional special meeting.

~~(c) Officers/Delegates, up to a maximum of four (4) shall be allowed reasonable time off, not to exceed an aggregate of one hundred sixty (160) hours for all bargaining units in any calendar year to attend national or regional meetings of the VSEA national affiliate;~~

~~(dc) Unit Chairperson, up to forty (40) hours per year, subject to the operating needs of the department for conduct of unit Labor Relations/Contract Administration business;~~

~~(e) Members of VSEA standing committees will be permitted to attend ten (10) meetings per year. This subsection shall be applicable to the eighteen (18) presently existing VSEA standing committees listed in Appendix N, as agreed to by the State and VSEA during negotiations for the FY 2015 – FY 2016 Agreement. However, any other VSEA standing committee(s) shall not be entitled to paid release time for its members.~~

~~(f) Unit executive committee members will be given time off to attend five (5) meetings per year;~~

(edg) Stewards for the processing and handling of complaints and grievances, including necessary appearances at all steps of the grievance procedure; up to one hundred (100) hours per steward per year shall be considered a reasonable time for processing and handling of complaints and grievances, and may be extended by mutual agreement in any instance;

Non-Management Unit: up to ninety-five (95) stewards

An employee will not be permitted more than a total of two hundred forty (240) hours, two hundred eighty (280) for Unit Chairpersons, time off in any fiscal year under paragraph 3, subsections (a) – (gd) above.

(he) Members of the bargaining team to attend bargaining sessions scheduled by or with the State. Members of the bargaining team who are assigned to the second or third shift shall be excused from their shift on an hour for hour basis, on any day when time off under this section is granted in their capacity as a member of the team. The Department may, after consultation with the employee, elect for a period of time during contract talks to assign the employee to first shift.

Except in the instance of conflicting State business, the State shall make a reasonable effort to assist employees on non-standard work weeks, who are scheduled for bargaining meetings with the State, by accommodating a request by the employee to readjust his/her

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schedule in order to preserve days off. Normally, the rescheduling will take place within the same pay period, with no guarantee of back-to-back days off when rescheduling occurs. The State shall not compel the employee to work more than a regular shift as part of the rescheduling, unless by mutual agreement of the employee and supervisor. Any such rescheduling shall be for a full workday off, unless by mutual agreement of the employee and supervisor. VSEA reserves the right to cancel the meeting when the absence of a team member results from the inability to reschedule. VSEA agrees to hold the State harmless from VSEA grievances relating to any complaint(s) due to rescheduling of a team member.

(dfi) Members of Labor Management Committees for meetings scheduled by the State and VSEA.

~~(j) Any of the above or to chapter officers for the purpose of attending training sessions approved in advance by the Department of Human Resources. Approval shall not unreasonably be withheld.~~

~~In any such instances, under this Section, such employees shall coordinate their absences from work to minimize the adverse impact on the efficient conduct of State business and in all cases must secure advance permission from appropriate supervisors and shall give the State as much prior notice of any such meetings as possible, including concurrent written notice to Department Heads when VSEA sends a notice of meetings to its own representatives. "VSEA business" as referred to in this Article involves the institutional role of the VSEA as required by current law in dealing with the State.~~

4. The State will include in its package of written information for new employees a VSEA informational brochure, provided by the VSEA, identifying it as the exclusive bargaining agent. Not later than two (2) weeks after entry into the bargaining unit, the State will provide each employee with a copy of the informational brochure and the applicable collective bargaining agreement, or for departments which do not have a preexisting informational packet system, at the time payroll deduction and tax forms are given to the employee to be filled out.

5. The State shall provide the VSEA with sufficient space on all State bulletin boards generally accessible to employees for the purpose of posting VSEA information.

6. Union organizing activity will not be conducted on State premises during scheduled work time, excluding all authorized breaks and meal periods.

7. If space is readily available on the premises, the Employer shall provide places where VSEA staff, representatives, and/or VSEA stewards can confer privately during working hours with employees regarding any complaints or grievances they may have. Such places shall be within the VSEA steward's designated area of responsibility. The State shall provide space for VSEA meetings during non-duty hours when these meetings do not conflict with established plans of the State. The VSEA must request the use of this space through the appropriate appointing authority as far in advance of the anticipated meeting as is practicable. For securing space to conduct VSEA elections, polling space shall be requested at least two (2) weeks in advance.

8. The VSEA Director(s) or a representative shall be allowed to visit any State facility, office or work location during working hours for the purpose of conducting VSEA business or investigating an employee complaint or grievance, provided that permission is obtained in advance from the appropriate managers, if available, and provided that such meetings do not adversely affect the efficient conduct of State business. Permission shall not be unreasonably withheld.

9. A VSEA steward, and/or a VSEA staff representative may be permitted to attend any meeting held by an agency, department or worksite when permission is granted by the appropriate supervisors Manager.

10. VSEA shall have exclusive payroll deduction of membership dues. Dues, to include any VSEA approved insurance program premiums, shall be deducted on each pay day from each bargaining unit employee who has designated VSEA as their representative. The amount of dues to be deducted will be certified by the VSEA to the Payroll Division.

**ARTICLE 6**  
**EXCHANGE OF INFORMATION**

1. The Department of Human Resources shall furnish the VSEA with the records or documents specified in this section when they become available unless the State discontinues their compilation.

- (a) One (1) copy of each new or revised job specification;
- (b) One (1) copy of each Agency of Administration bulletin;
- (c) Lists of new employees, separations, transfers, position reallocations, reassignments, and promotions on the condition that the VSEA provide necessary clerical assistance to extract this information from Department of Human resources records; and
- (d) On a one-time basis, single copies of all forms currently in use by the Department of Human Resources to maintain records, implement policies, and furnish information to management and supervisory personnel; on a continuing basis, single copies of any new forms designed to serve these purposes.

2. The VSEA shall furnish the Department of Human Resources with the following information and documents, and amendments or changes to these documents as they become available.

- (a) A list of the VSEA's officers, trustees, council, chapter presidents, and standing committee members.
- (b) A list of the VSEA's stewards, the stewards' places of employment and the stewards' designated areas of responsibility for each bargaining unit;

3. Upon request by the VSEA, information which the State is required to furnish under this Article which can be made available in a computer-tape or other machine-readable format shall be furnished in such format to the VSEA providing, however, that such request would not result in more than a negligible cost differential relative to hard copy.

54. (a) The State will also provide such additional information as is reasonably necessary to serve the needs of the VSEA as exclusive bargaining agent and which is neither confidential nor privileged under law. Access to such additional information shall not be unreasonably denied. Failure to provide information as required under this Article may be grieved through the grievance procedure to the Vermont Labor Relations Board (VLRB); provided, however, the VSEA agrees that it will not pursue under this Agreement or under 1 VSA, Sections 315 to 320, disclosure of a document which the State asserts in good faith is a privileged matter of labor relations policy as, for example, a strike contingency plan.

(b) Notwithstanding the above, in matters involving disciplinary action, performance corrective action, and Steps I – III of the grievance procedure, such additional information shall be limited to evidence upon which the State relied when taking the disputed action and that has a direct bearing on material issues of genuine dispute. This subsection is not intended to, in any way, limit the Parties use of the discovery process at Step IV of the grievance procedure.

**ARTICLE 14  
DISCIPLINARY ACTION**

1. No permanent or limited status employee covered by this Agreement shall be disciplined without just cause. The parties jointly recognize the deterrent value of disciplinary action. Accordingly, the State will:

- (a) Act promptly to impose discipline or corrective action within a reasonable time of the offense;
- (b) Apply discipline or corrective action with a view toward uniformity and consistency;
- (c) Impose a procedure of progressive discipline or progressive corrective action;
- (d) In misconduct cases, the order of progressive discipline shall be:
  - (1) oral reprimand;
  - (2) written reprimand;
  - (3) suspension without pay;
  - (4) dismissal.
- (e) In performance cases, the order of progressive corrective action shall be as follows:
  - (1) feedback, oral or written (records of feedback are not to be placed in an employee's personnel file except in compliance with the Performance Evaluation Article);
  - (2) written performance evaluation, special or annual, with a specified prescriptive period for remediation specified therein, normally three (3) to six (6) months;
  - (3) warning period of thirty (30) days to three (3) months, extendable for a period of up to six (6) months. Placement on warning status may take place during the prescriptive period if performance has not improved since the evaluation.
  - (4) dismissal.
- (f) The parties agree that there are appropriate cases that may warrant the State:
  - (1) bypassing progressive discipline or corrective action;
  - (2) applying discipline or corrective action in different degrees;
  - (3) applying progressive discipline for an aggregate of dissimilar offenses, except that dissimilar offenses shall not necessarily result in automatic progression; as long as it is imposing discipline or corrective action for just cause.
- (g) The forms of discipline herein listed shall not preclude the parties from agreeing to utilize alternative forms of discipline, including demotion, or a combination of forms of discipline in lieu of suspension or dismissal, or as a settlement to any of those actions. Nothing in this Agreement shall be construed to limit the State's authority or ability to demote an employee under Section 1(d) and/or 1(e) of this Article, for just cause resulting from misconduct or performance, but the State shall not be required to do so in any case. The VLRB may not impose demotion under this Article.

2. The appointing authority or designated representative, after complying with the provisions of paragraph 4 of this Article, may dismiss an employee with just cause with two (2) weeks' notice or two (2) weeks' pay in lieu of notice. Written notice of dismissal must be given to the employee within twenty-four (24) hours of verbal notification. In the written dismissal notice, the appointing authority shall state the reason(s) for dismissal and inform the employee of his or her right to appeal the dismissal at Step IV before the Vermont Labor Relations Board within the time limit prescribed by the rules and regulations of the Board.

3. Notwithstanding the provisions of paragraph 2 above, the appointing authority or authorized representative, after complying with the provisions of paragraph 4 of this Article, may dismiss an employee immediately without two (2) weeks' notice or two (2) weeks' pay in lieu of notice for any of the following reasons:

- (a) gross neglect of duty;
- (b) gross misconduct;
- (c) refusal to obey lawful and reasonable orders given by supervisors;

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- (d) conviction of a felony;
- (e) conduct which places in jeopardy the life or health of a co-worker or of a person under the employee's care.

4. Whenever an appointing authority contemplates suspending or dismissing an employee, the employee will be notified in writing of the reason(s) for such action, and will be given an opportunity to respond either orally or in writing. The employee will normally be given twenty-four (24) hours to notify the employer whether he or she wishes to respond in writing or to meet in person to discuss the contemplated dismissal/discipline. The employee's response, whether in writing or in a meeting, ~~should~~ must be provided to the employer within ~~four~~ ten (410) work days of receipt of written notification of the contemplated dismissal/discipline. Deadlines may be extended at the request of either party, however, if the extension is requested by the employee or the employee's representative, the employee will not be carried on the payroll ~~unless it is charged to appropriate accrued leave balances~~ and shall be placed in an authorized off-payroll status unless the employee's extension request was necessitated by the employer's inability or refusal to meet within the ten (10) day response period, in which event the employee will remain on the payroll until the meeting takes place. At such meeting, the employee will be given an opportunity to present points of disagreement with the facts, to identify supporting witnesses or mitigating circumstances, or to offer any other appropriate argument in his or her defense.

5. An employee who is charged with misconduct in collusion with his or her superior shall not be exonerated solely because the superior was guilty.

6. No written warning or other derogatory material shall be used in any subsequent disciplinary proceeding or merged in any subsequent evaluation unless it has been placed in an employee's official personnel file.

7. Whenever an employee is required, by his or her supervisor or management, to give oral or written statements on an issue involving the employee, which may lead to discipline against the employee, or whenever the employee is called to a meeting with management where discipline is to be imposed on the employee, he or she shall be notified of his or her right to request the presence of a VSEA representative, and, upon such request, the VSEA representative shall have the right to accompany the employee to any such meeting. The notification requirement shall not apply to the informal initial inquiry of the employee by his or her supervisor without knowledge or reason to believe that discipline of the employee was a likely possibility. Subject in all cases to the consent of the employee involved, in those cases where VSEA is not representing the employee, the VSEA reserves the right to attend such meetings as a non-participating observer if in its judgment the ramifications of such meetings are likely to impact on the interests of VSEA members.

(a) If the employer tapes an investigative interview of an employee against whom disciplinary action is contemplated:

- (1) a duplicate tape will be promptly provided to the interviewee;
- (2) the employer tape will be the official transcript;
- (3) the interviewee or his/her representative may also tape the proceedings and will promptly provide a duplicate tape to the employer.

(b) If the employer tapes a witness interview or other employee interview where disciplinary action is not contemplated against the interviewee, a duplicate tape will be promptly provided to the interviewee upon request. Paragraphs 7(a)(2) and (3) above, will apply here as well.

(c) If the employer does not tape an interview, no other taping will be permitted without the employer's consent in any instance.

8. The appointing authority or authorized designee may suspend an employee without pay for reasons for a period not to exceed thirty (30) workdays. Notice of suspension, with specific reasons for the action, shall be in writing or shall be given personally by the appointing authority or designee and confirmed in writing within twenty-four (24) hours. The provisions of this

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paragraph shall not preclude the settlement of dismissal cases with respect to suspensions in excess of thirty (30) workdays.

9. An appointing authority may relieve employees from duty temporarily with pay for a period of up to thirty (30) workdays:

(a) to permit the appointing authority to investigate or make inquiries into charges and allegations made by or concerning the employee; or

(b) if in the judgment of the appointing authority the employee's continued presence at work during the period of investigation is detrimental to the best interests of the State, the public, the ability of the office to perform its work in the most efficient manner possible, or well being or morale of persons under the State's care. The period of temporary relief from duty may be extended by the appointing authority, with the concurrence of the Commissioner of Human Resources. Employees temporarily relieved from duty shall be notified in writing within twenty-four (24) hours with specific reasons given as to the nature of the investigation, charges and allegations. Notices of temporary relief from duty with pay shall contain a reference to the right of the employee to request representation by VSEA, or private counsel, in any interrogation connected with the investigation or resulting hearing.

10. In any misconduct case involving a suspension or dismissal, should the Vermont Labor Relations Board find just cause for discipline, but determine that the penalty was unreasonable, the Vermont Labor Relations Board shall have the authority to impose a lesser form of discipline.

11. In any case involving dismissal based on performance deficiencies, the Vermont Labor Relations Board shall sustain the State's action as being for just cause unless the grievant can meet the burden of proving that the State's action was arbitrary and capricious. It is understood that this paragraph does not bar a grievance alleging that progressive corrective action was bypassed.

12. Notice of a personnel investigation shall be provided to an employee within thirty (30) days of the date that Management knew or should have known of the alleged misconduct being investigated.



**ARTICLE 15  
GRIEVANCE PROCEDURE**

**1. PURPOSE**

(a) The intent of this Article is to provide for a mutually satisfactory method for settlement of complaints and grievances, as defined in Section 2 of this Article, filed by an individual, unit, or the duly certified bargaining representative. It is expected that employees and supervisors will make a sincere effort to reconcile their differences as quickly as possible at the lowest possible organization level.

(b) This procedure shall govern all certified bargaining units represented by VSEA.

**2. DEFINITION**

(a) "Complaint" is an employee's or group of employees' informal expression to the immediate supervisor of dissatisfaction with aspects of employment or working conditions under a collective bargaining agreement that are clearly identified to the supervisor as a grievance complaint.

(b) "Grievance" is an employee's, group of employees' or the employee's collective bargaining representative's expressed dissatisfaction, presented in writing, with aspects of employment or working conditions under a collective bargaining agreement or the discriminatory application of a rule or regulation.

(c) A grievance shall contain the following information:

- (1) The full name and address of the party or parties submitting the grievance;
- (2) Identification of the State agency, department, or institution involved;
- (3) A statement of the facts concerning the grievance;
- (4) Specific references to the pertinent section(s) of the contract or of the rules and regulations alleged to have been violated;
- (5) A statement of the specific remedial action sought;
- (6) A request for a grievance meeting, if desired.

**3. GRIEVANCE PROCEDURE**

The following procedures are established for settlement of complaints and grievances.

**(a) STEP I (Immediate Supervisor Level)**

(1) The employee, or his/her representative, or both, shall notify his/her immediate supervisor of a complaint within fifteen (15) workdays of the date upon which the employee could have reasonably been aware of the occurrence of the matter which gave rise to the complaint. The notice shall clearly identify the matter as a Step I grievance complaint. This is not a required first step of the grievance procedure.

(2) An employee may opt to bypass the Step I process and file his/her complaint directly to the Step II (departmental) level. If bypassing Step I, an employee must file a written grievance, in accordance with Section 2(c), above, to the head of the employee's department, within fifteen (15) workdays of the date upon which the employee could have reasonably been aware of the occurrence of the matter which gave rise to the complaint.

(3) A supervisor may elect not to meet with the employee and/or his/her representative in a Step I meeting, and if such election is made, the supervisor shall advise the employee within two (2) workdays of receiving notice of the complaint or grievance. The employee will then have ten (10) workdays to file his/her complaint or grievance, in writing, to Step II – Department head.

(4) If a Step I is initiated, the complaint shall be discussed informally by the aggrieved employee, or his/her representative, or both, and the immediate supervisor. If the issue remains unresolved, an employee must comply with the following time frames for filing to the Step II level:

- (a) within ten (10) workdays after receipt of the Step I decision; or

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(b) within thirty (30) workdays from when the employee first gave notice to the supervisor of his/her complaint as outlined in Section 3(a)(1) above, whichever occurs first.

(5) Resolutions to Step I complaints shall be non-precedent setting and inadmissible in any legal or administrative proceeding, except to enforce said resolutions.

**(b) STEP II (Department Head Level)**

(1) If no satisfactory settlement is reached at Step I, or if the Step I is bypassed, the complaint shall be reduced to writing, in accordance with Section 2(c) above, and shall be submitted for action by the aggrieved party or representative to the administrative head of the department in which the aggrieved is employed within the time frames outlined in Section 3(a) above, otherwise the matter shall be considered closed. On request of a VSEA Director, and with the approval of the Department of Human Resources and the applicable appointing authority, the time limits for filing a Step II grievance may be extended for a specific period of time, not to exceed ten (10) workdays.

(2) The grievance shall be discussed informally, either in person or via telephone, within ten (10) workdays of its receipt, between the employee, and/or his/her representative, and the department head or designee.

(3) The employee shall be notified in writing of the department's decision within five (5) workdays after the discussion. The parties may mutually agree to postpone the discussion, but shall hold it as soon as practical.

**(c) STEP III (Department of Human Resources Level)**

(1) A grievance conforming to Section 2(c) above, shall be submitted to the Department of Human Resources within ten (10) workdays of receipt of the Step II decision if the employee wishes to pursue a matter not resolved at Step II. Otherwise, the matter shall be considered closed. A copy of the Step III grievance shall be filed with the appropriate administrative heads of agencies, departments, or institutions. Upon the introduction of facts or arguments not raised at Step II, such issues shall not be ruled untimely merely because they are raised at Step III for the first time.

(2) If the aggrieved employee so requests, the Department of Human Resources shall hold a meeting with the aggrieved employee, his or her representative, or both, within ten (10) workdays following receipt of the Step III grievance, unless a satisfactory solution can be agreed to before that time.

(3) The parties may mutually agree to postpone the discussion, but shall hold it as soon as practicable.

(4) The Department of Human resources shall notify the aggrieved employee and his or her representative of its decision in writing within five (5) workdays after the Step III grievance meeting.

(5) If no Step III grievance meeting is requested, the Department of Human Resources shall notify the aggrieved employee and his or her representative of its decision in writing within ten (10) workdays after the receipt of the Step III grievance.

(6) In the event the employer fails to render a decision at Step II or Step III within the prescribed time, the grievant may proceed to the next step within the time limits established above.

(7) If the employer fails to issue a decision at the Step III of a disciplinary action grievance within the prescribed time limits specified in Subsection 3(c)(4) or (5) above, the VSEA shall notify the Department of Human Resources, in writing, and shall be entitled, absent an agreement on an extension of the time limits, to a written decision within five (5) workdays after the Step III hearing actually receives such notification. Failure to issue a written decision within the time frames specified in this subsection shall result in the automatic granting of the contractual remedy requested by and directly applicable to the

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grievant. Any dispute over what the contractual remedy will be, shall be decided by the VLRB. If the hearing officer is on leave at the time the Department of Human Resources receives notice from the VSEA, the five (5) day requirement shall automatically be extended for the duration of the leave period, not to exceed ten (10) workdays, at which time the VSEA reserves the right to process the grievance to the next step or wait for the hearing officer to return from leave. Notice shall be sent to the Hearing Officer if the grievance is processed to the next step.

**(d) STEP IV (Board Level)**

The appeal from the Department of Human Resources' decision shall be to the Vermont Labor Relations Board in accordance with the rules and regulations established by the Board and such appeal shall be filed within thirty (30) days after receipt of the Step III decision or the matter shall be considered closed. If within the time set by the VLRB for appealing such decision, VSEA submits a written request for reconsideration, the State may respond in writing to such a request, and if it does so, the time for appealing the decision of the Department of Human Resources shall begin to run from the date of receipt of the State's written reconsideration response. However, in no event shall the time for appealing the Human Resources Department's decision exceed forty-five (45) calendar days from the date of receipt of the original Step III decision.

**(e) STEP IV (Binding Arbitration)**

The Parties will continue negotiations on the parameters to add binding arbitration as an additional option as the final step of the grievance procedure for grievances filed after July 1, 2017.

**4. GENERAL PROVISIONS**

(a) Grievances may be initiated at Step II if the subject matter of the complaint is clearly beyond the control of the immediate supervisor, or at Step III if the subject matter of the grievance is clearly beyond the control of the agency, department or institution head.

(b) Grievances initially filed at Step II or Step III shall be submitted within fifteen (15) workdays of the date upon which the employee could reasonably have been aware of the occurrence of the matter which gave rise to the grievance.

(c) An employee may appeal his or her dismissal directly to the Vermont Labor Relations Board.

(d) The management representative at Step II or III shall act fairly and without prejudice in determining the facts which affect the granting or denial of a grievance. If the management representative participated in the decision to impose disciplinary action, or in the preparation or writing of a performance evaluation in progressive corrective action cases, subject to the grievance (s)he shall disclose that fact, but shall not be disqualified thereby. Hearing officers may disqualify themselves if, in their opinion, they perceive the existence of a conflict which makes their future participation inadvisable. Complaints concerning the conduct of the management representative shall be grievable directly to, but not beyond, Step III. The management representative may attempt to mediate any grievance by suggesting that either side alter its position, provided that any Step II settlement be subject to the approval of the Department of Human Resources. If Human Resources does not approve the settlement, the reasons for disapproval will be provided in writing to VSEA. For purposes of this Article, "management representative" shall mean the appointing authority/administrative head of the department, or person selected as designee.

(e) When a grievance meeting is held at Step III, the VSEA (whether or not it is representing the aggrieved employee) shall be notified by the Department of Human Resources and shall have the right to be present, to participate in the proceedings as a party at interest, and to submit a statement (oral or written) to the Department of Human Resources of its opinion of the merits or demerits of the grievance and the effect of any proposed solution on other

**ARTICLE 28 (NMU) ARTICLE 32 (SUP, COR)  
OBSERVANCE OF HOLIDAYS**

**1. HOLIDAYS**

The following legal holidays as established by 1 VSA, Section 371, shall be observed by State offices:

New Year's Day, January 1  
Washington's Birthday, Third Monday in February  
Town Meeting Day, First Tuesday in March  
Memorial Day, Last Monday in May  
Independence Day, July 4  
Bennington Battle Day, August 16  
Labor Day, First Monday in September  
Veteran's Day, November 11  
Thanksgiving Day, Fourth Thursday in November  
Day After Thanksgiving (per other provisions of this Article)  
Christmas Day, December 25  
Martin Luther King Jr.'s Birthday, the third Monday in January (per other provisions of this Article)

**2. WEEKEND OBSERVANCE**

Any legal holiday which falls on a Saturday shall be observed on the preceding Friday. Any legal holiday which falls on a Sunday shall be observed on the following Monday.

**3. MARTIN LUTHER KING JR.'S BIRTHDAY and DAY AFTER THANKSGIVING**

Effective on and after January 1, 2001, Martin Luther King Jr.'s Birthday, the third Monday in January, and effective July 1, 2013 the Day After Thanksgiving, shall be observed by State offices except those operations which must maintain essential services. Subject to the operating needs of any department or agency, leave without loss of pay may be granted on that day and treated as follows:

- (1) Leave granted shall be considered as time actually worked for the purpose of determining eligibility for overtime compensation;
- (2) Employees who are required to work that day will receive up to eight (8) hours (on an hour-for-hour basis) compensatory time off in addition to regular pay for that day;
- (3) Employees who have that day as a regularly scheduled day off and do not work, shall receive up to eight (8) hours (on an hour-for-hour basis) compensatory time off;
- (4) Part-time employees will receive compensatory time off for this day in direct proportion to the normal number of scheduled work hours in a pay period.
- (5) The provisions of Sections 7 and 8(c) of this Article shall apply to this holiday.

**4. ADMINISTRATIVE DECLARATION**

The Governor may also declare an administrative holiday.

State offices shall close on such a day except for those operations which must maintain essential services.

Time worked on an administrative holiday shall be compensated for in the same manner as time worked on a straight time legal holiday.

(a) A classified employee shall not normally be required to work on legal or administrative holidays except as necessary to provide and maintain essential services.

**5. COMPENSATION**

Compensation on days observed as legal and administrative holidays shall be in excess of the minimum regular amount, and as follows: These provisions shall not apply to Martin Luther King Jr.'s Birthday, or the Day after Thanksgiving.

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Compensatory Time Option: Except as described in the following two paragraphs for employees who actually work on a holiday, compensatory time off in lieu of cash may be granted at the employer's option if the employee so requests.

Paragraphs 5(b), (c), (d), & (e) below do not apply to employees in Overtime Categories 13 & 18.

(a) An employee who is normally scheduled to work on a day observed as a legal holiday and does not work on that day shall receive no extra compensation.

(b) Employees required to work on a day which is normally a scheduled workday and is also a day observed as a legal holiday shall receive compensation at "designated rates" as explained below, plus applicable shift differential for all hours actually worked on that day. The compensation shall be in addition to the employee's minimum regular compensation.

If the "designated rate" is straight time, the employee shall receive cash or compensatory time off at straight time for all hours actually worked on that day, if he or she so chooses.

If the "designated rate" is time and one-half (1-1/2), and the employee requests compensatory time off for all hours worked that day, he or she shall receive compensatory time off up to eight (8) hours. Any compensatory time requested beyond eight (8) hours shall be paid in cash or time off at the employer's option.

(c) If a legal holiday is observed on a day which is not normally a scheduled workday and the employee does not work on that day, he or she shall receive for that day eight (8) times his or her regular hourly rate in cash, or compensatory time off if the employee so chooses and if the employer can grant the compensatory time off, which shall be in addition to his or her minimum regular compensation.

(d) If a legal holiday is observed on a day which is not normally a scheduled workday and the employee does work on that day, he or she shall receive for the day eight (8) hours compensation at designated rates in cash, plus cash (or compensatory time off if the employee chooses) for all hours actually worked at straight time rates or at overtime rates if applicable under paragraph (i). Such compensation shall be in addition to the employee's minimum regular compensation.

(e) Call-in: There shall be no pyramiding for call-in pay under Sections (a), and (d), above. Employees called in shall receive the applicable overtime for call-in pay in addition to holiday pay for day off.

(f) Overtime Category 13.

(1) Employees who are required to work on a day which is normally a scheduled workday and is also a day observed as a legal holiday shall receive compensation at "designated rates", in addition to the minimum regular compensation, for all hours actually worked on that day up to a maximum of eight (8) hours.

The compensatory time off option under 5(b) above shall apply in this case.

(2) If a legal holiday is observed on a day which is not normally a scheduled workday, and the employee does not work on that day, he or she shall receive for that day eight (8) times his or her regular hourly rate in cash (or compensatory time off if the employee so chooses and if the employer can grant the compensatory time off) which shall be in addition to his or her minimum regular compensation.

(3) If a legal holiday is observed on a day which is not normally a scheduled workday and the employee does work on that day, he or she shall receive for the day eight (8) hours compensation at designated rates in cash, plus cash (or compensatory time off if the employee so chooses and if the employer can grant the time off) at straight time rates for all hours worked on that day up to a maximum of eight (8) hours. Such compensation shall be in addition to the employee's minimum regular compensation.

(g) Overtime Category 18.

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Employees in Overtime Category 18 shall receive no additional cash compensation for time worked on a day observed as a legal holiday. Category 18 employees may be granted compensatory time off at the discretion of the appointing authority.

(h) "Designated rates" shall be as follows:

(1) The designated rate of time and one-half (1-1/2) shall apply for the following days observed as legal holidays:

New Year's Day, January 1  
Washington's Birthday, Third Monday in February  
Memorial Day, Last Monday in May  
Independence Day, July 4  
Labor Day, First Monday in September  
Veteran's Day, November 11  
Thanksgiving Day, Fourth Thursday in November  
Christmas Day, December 25

(2) The designated rate of straight time shall apply for the following days observed as legal holidays:

Town Meeting Day, First Tuesday in March  
Bennington Battle Day, August 16

(3) Notwithstanding any contrary provision of this Section, for employees in Overtime Categories 15, 16 and 17 the "designated rate" of straight time pay shall apply on all days observed as legal holidays.

(i) Notwithstanding the above provisions, if work on a holiday with a designated rate of straight time qualifies as overtime under the provisions covering overtime, an employee shall be paid in accordance with the overtime provisions.

(j) In all instances for compensation for time worked on a holiday, applicable shift differential shall be in addition to holiday pay.

6. Time off for legal or administrative holidays or the day after Thanksgiving shall not be charged against sick or annual leave.

7. An employee who is off payroll due to disciplinary suspension, or absent without authorization, or on any unpaid leave of absence for any portion of the scheduled workdays immediately prior to, or next following, or the day of that observed as a holiday, and who does not work on such holiday shall not be eligible for holiday compensation, unless the employee actually works on the holiday.

**8. GENERAL PROVISIONS**

(a) In continuous operations for purposes of computing pay and benefits, a classified employee's holiday shall begin at the time his regular and normal work schedule would begin on that day and shall continue for twenty-four (24) consecutive hours.

(b) Part time computations;

(1) Part-time classified employees who do not work on a legal holiday will receive their hourly rate for the number of hours regularly scheduled for that day. Part-time classified employees who do work on a legal holiday will receive applicable holiday pay at designated rates (i.e., not prorated) for all hours worked that day, not to exceed the limits specified in this Article. Unworked legal holidays falling on a part-time employee's scheduled day off, will be compensated in direct proportion to the normal number of scheduled work hours in a pay period.

(2) A permanent part-time classified employee who works on a seasonal schedule will be entitled to payment for those holidays which occur during the period of time when working.

(c) Effective December 31, 1997, if the day following the effective date of an employee's separation from State service is observed as a legal holiday, the employee will receive pay for the legal holiday, but the effective date of separation shall not be changed as a result of receiving such holiday pay.

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9. If additional State Holidays are enacted in statute during the life of this Agreement, the parties agree to reopen negotiations for the limited purpose of bargaining over benefits which will apply to the observance of that holiday, if any.

10. This provision applies only to employees, in the departments or institutions specified below: who are required to work as a regularly scheduled workday on December 25, and who have a regularly scheduled day off on the date that the Christmas Holiday is otherwise actually observed, or vice-versa; and to employees who are required to work as a regularly scheduled work day on January 1, and who have a regularly scheduled day off on the date New Year's Day is otherwise actually observed, or vice-versa. For such employees only, December 25, and January 1, shall be considered the holiday for purposes of holiday pay computation, rather than the dates on which such holidays are otherwise observed.

This provision applies only to employees at the Vermont Veteran's Home; Woodside Youth Center; Department of Public Safety's Emergency Communications Dispatchers or E911 Call Takers, Airport Firefighters, Department for Children and Families Emergency Services Personnel, BGS Boiler Room personnel, BGS Security staff, BGS Visitor Center employees, and the Vermont Psychiatric Care Hospital and the Middlesex Therapeutic Care Residence Vermont State Hospital.

**ARTICLE 45 (NMU) ARTICLE 50 (COR)  
SALARIES AND WAGES**

1. The compensation plans for State employees covered by this Agreement shall be as follows:

	Effective Date
Appendix I	July 1, 201 <del>8</del> 6
Appendix II	Start of first full pay period in <del>July-January 2016</del> 9 (July-January 408, 201 <del>6</del> 8)
Appendix III	Start of first full pay period in <del>July-January 2017-2020</del> (July-January 9X, 2017 <del>20</del> )

2. Salary is computed as an hourly rate rounded to the nearest whole cent.

3. (a) Effective with the start of the first full payroll period in ~~July-January 2016~~9, all employees covered by this Agreement shall receive a ~~two-one and thirty-five tenths~~ percent (~~21.350~~%) increase, based on the rates in force on the prior day. Such adjustment shall be applied to the salary grid. Effective with the start of the first full payroll period in ~~July-January 2017~~20, all employees covered by this Agreement shall receive a ~~two-and-one-quarter~~ ~~one and thirty-five tenths~~ percent (~~21.2535~~%) increase, based on rates in force on the prior day. Such adjustment shall be applied to the salary grid.

(b) Employees who are equal to, or more than, ~~two-one and thirty-five tenths~~ percent (~~21.035~~%) above the maximum for their pay grade on the effective date of the ~~July-January 2016~~9 increase shall instead receive a lump sum payment equivalent to ~~two-one and thirty-five tenths~~ percent (~~21.035~~%) of their base hourly rate, annualized and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period ~~in~~ in ~~July-January 2016~~9. Employees equal to or more than ~~two-and-one-quarter~~ ~~one and thirty-five tenths~~ percent (~~21.2535~~%) above the maximum for their pay grade on the effective date of the ~~July-January 2017~~20 increase shall instead receive a lump sum payment equivalent to ~~two-and-one-quarter~~ ~~one and thirty-five tenths~~ percent (~~21.2535~~%) of their base hourly rate, annualized, and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period in ~~July-January 2017~~20.

(c) Employees who are less than ~~two-one and thirty-five tenths~~ percent (~~21.035~~%) above the maximum for their pay grade on the effective date of the ~~July-January 2016~~9 increase shall receive that proportion of the increase that will result in their placement on Step 15 of their pay grade, and shall receive the difference between this base salary increase and the ~~two-one and thirty-five tenths~~ percent (~~21.035~~%) increase, annualized and prorated for part-time employment, as a lump sum payment as specified above. Employees who are less than ~~two-and-one-quarter~~ ~~one and thirty-five tenths~~ percent (~~21.2535~~%) above the maximum of their pay grade on the effective date of the ~~July-January 2017~~20 increase, shall receive that proportion of the increase that will result in their placement on step 15 of their pay grade, and shall receive the difference between this base salary increase and the ~~two-and-one-quarter~~ ~~one and thirty-five tenths~~ percent (~~21.2535~~%) increase, annualized, and prorated for part-time employment, as a lump sum payment as specified above.

(d) Effective on the first day of the first full pay period in ~~July-January 2016~~9, those employees who are permanent or limited status, classified employees on the preceding day, and who have an annualized salary, (after the addition of the ~~two-one and thirty-five tenths~~ percent (~~21.035~~%) increase is applied) which is less than twenty-five-nine thousand, nine-one hundred and fifty-eight~~twenty~~ dollars (\$259,958~~120~~), will be paid one-fourth (1/4) of the difference between their annualized salary and twenty-five-nine thousand, nine-one hundred and fifty-eight~~twenty~~ dollars (\$259,958~~120~~) at the beginning of each calendar quarter, so long as their annualized salary is still less than twenty-five-nine thousand, nine-one hundred and fifty-eight~~twenty~~ dollars (\$259,958~~120~~) at the beginning of that calendar quarter. Effective on the first day of the first full pay period in ~~July-January 2017~~20, those employees who are



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permanent or limited status, classified employees on the preceding day, and who have an annualized salary, (after the addition of the ~~two and one-quarter~~ one and thirty-five tenths percent (~~21.25~~35%) increase is applied) which is less than ~~twenty-five-nine thousand, nine one hundred and fifty-eight~~twenty dollars (~~\$259,958~~120), will be paid one-fourth (1/4) of the difference between their annualized salary and ~~twenty-five-nine thousand, nine one hundred and fifty-eight~~twenty dollars (~~\$259,958~~120) at the beginning of each calendar quarter, so long as their annualized salary is still less than ~~twenty-five-nine thousand, nine one hundred and fifty-eight~~twenty dollars (~~\$2529,958~~120) at the beginning of that calendar quarter. The calculation of this benefit for Part-time Employees who meet the above criteria will be prorated on the basis of the number of hours regularly worked. All employees covered by this section shall receive the above increases for each fiscal year.

4. The required time on each step in the Step Pay Plan shall be as follows:

Step 1 (probation) - normally, 6 months

Step 2 (EOP) - one year

Step 3 - one year

Step 4 - one year

Step 5 - one year

Step 6 - two years

Step 7 - two years

Step 8 - two years

Step 9 - two years

Step 10 - two years

Step 11 - two years

Step 12 - two years

Step 13 - three years

Step 14 - three years

Step 15 - final step

5. Computation of Step Dates, and requirements for step movements for the Pay Plan in effect on June 30, 1990, shall remain unchanged.

At the beginning of the first full payroll period following the employee's new Step Date, the employee shall advance to the next higher step in the pay grade upon completion of the required time on step.

6. Except as specified in Paragraph 7 in the "Performance Article", movement to a higher step hereunder is predicated on satisfactory performance, based on the annual performance evaluation. In all cases, failure to achieve a satisfactory annual evaluation (i.e., a "3" under the current system) will result in loss of credit for that years' service in computing time on step.

7. An employee who has been demoted from a position:

(a) without loss of pay; or

(b) with a percentage loss of pay pursuant to Section 6.072 of the Rules and Regulations for Personnel Administration; or

(c) with a loss of pay due solely to the fact that the employee's salary could not exceed the maximum for the lower pay grade;

and who later returns within two (2) years to a position in a higher pay grade shall be considered, for purposes of salary adjustment, to be a restored employee under Section 6.077 of the Rules and Regulations for Personnel Administration.

8. Implementation of the compensation plans specified herein shall be in accordance with procedures developed by the Secretary of Administration subject to this collective bargaining agreement and shall not be subject to the provisions of Chapter 25 of Title 3. VSEA shall be granted a copy of the procedures thirty (30) days prior to implementation and shall retain the right to grieve any violation of this Agreement resulting from implementation of such procedures.

**9. RATE AFTER PROMOTION, UPWARD REALLOCATION OR REASSIGNMENT**

Effective July 5, 1992, upon promotion, upward reallocation or reassignment of a position to a higher pay grade, an employee covered by this Agreement shall receive a salary increase by being slotted onto that step of the new pay grade which would reflect an increase of at least five percent (5%) over the salary rate prior to promotion (i.e., five percent (5%) is the lowest amount an employee will receive, and the maximum amount would be governed according to placement on a step which might be higher than, but nearest to, the five percent (5%) minimum specified).

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The rate of five percent (5%) as outlined above shall be eight percent (8%) if the employee is moving upwards three or more pay grades.

An employee, who moves, for the first time, into the Supervisory Bargaining Unit by promotion, upward reallocation, redesignation, upward reassignment, or lateral transfer, on or after July 1, 2005, shall receive a salary increase of eight percent (8%) regardless of the number of pay grades involved. This subsection shall also apply if the movement is temporary or time limited. A temporary assignment shall not qualify as a "for first time" movement into the Supervisory Unit.

Notwithstanding the above, any promotion or reclassification to a higher class as a result of an employee automatically "promoting" upon completion of the requirements of the lower level class as outlined in the position class description, the rate on promotion shall be eight percent (8%). In no case will such an employee receive less than the Step 2 (end of probation) rate of the new pay grade, unless the employee has not completed original probation, or more than the Step 15 (maximum) rate. If the employee's salary at the time of promotion, upward reallocation, or upward reassignment is already over the maximum of the new grade, no salary adjustment shall occur.

After placement on step in the new pay grade, the employee may advance to the next step after meeting the waiting period requirements applicable to that step (as set forth in Section 4 herein), based on the effective date of the promotion or upward reallocation.

10. The salary upon which any increase resulting from promotion, upward reallocation, or upward reassignment is computed for a given employee, is that employee's most recent salary in the last position in which any required probationary period was completed, plus any subsequent general salary adjustment, except that no employee will be reduced in salary as a result of this provision.

(a) An employee, except an employee on original probation, who, is promoted, upwardly reallocated, or upwardly reassigned, shall be placed on the step in the new pay grade that is the result of the normal promotional increase.

(b) If a Request for Classification Review is submitted on or after January 13, 2002; and the incumbent is subsequently entitled to a retroactive pay adjustment due to corrective classification action (resulting from either classification review or classification grievance); and the incumbent has received a step increase after the date the request for review was filed but before the classification decision was processed; then the employee's salary shall be based on his/her rate of pay as of the date the adjustment is processed.

11. Employees who are laterally transferred to a different position in their same class, or into a different class but in the same pay grade, will not establish a new Step Date as a result of such move. This provision does not apply to employees on original probation.

12. (a) Effective July 5, 1992, when an employee voluntarily demotes three (3) or more pay grades, or is involuntarily demoted to a position in a lower pay grade, that employee shall be placed on a specific step in the new (lower) pay grade that is within the range for salary upon demotion specified in Section 6.072, et seq., of the Rules and Regulations for Personnel Administration which represents at least a one and one-half percent (1.5%) decrease in salary and then slotted down, but shall not be paid less than the minimum, nor more than the maximum for such lower pay grade. All such employees will establish a new Step Date.

(b) Effective January 13, 2002, and notwithstanding the above, when an employee voluntarily demotes one (1) or two (2) pay grades (whether by classification action or otherwise), the rate of pay shall be "red circled" and shall not be subject to a reduction. Such employee will move to the step next above his/her red circled rate on the next step date, except when the salary is over the maximum for the pay grade or falls on a step in the new Pay Grade. The next step date in such cases shall be based on the effective date of the demotion, and will be calculated on the required time on step assigned to the step next below the employee's red circled rate. Nothing in this agreement shall restrict or preclude the employer from discussing voluntary demotion or downward reallocation with an employee for other than disciplinary reasons.

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13. When an employee is: promoted; demoted; restored; rehired in accordance with RIF rights; reallocated; or reassigned, a new Step Date shall be established, based upon the effective date of such action.

14. The Commissioner of Human Resources retains the following rights:

(a) Hiring Within Range

To hire employees above the end of probation rate for their class, consistent with 6.042 et seq. of the Rules and Regulations for Personnel Administration for the State of Vermont. In any such instance, the Commissioner of Human Resources may raise the rate of current employees in that department in the same class and/or associated class to the rate of the newly hired employee. Employees so raised shall retain their old step date and time already accrued toward his/her next step movement. Any such hire or subsequent raising of the rate for previous hires shall not be deemed inconsistent with the provisions of paragraph 14 or 15 so long as the hiring rate specified for the class remains unchanged.

(b) Changing Hiring Rate

(1) To raise the hiring rate for one (1) or more classes. In such event the next higher numbered step shall be the new end of probation (EOP) rate. Original probationers shall be placed at the new minimum, (unless previously hired into range at a step greater than the new EOP) without affecting their step dates. Non-probationary employees below this new EOP rate in the affected class shall be placed on the new EOP rate. Non-Probationary employees in the class who are on steps at or above the new EOP rate shall receive a one (1) step increase. Step dates will be adjusted according to salary plan rules.

(2) Employees at or above the maximum will have their hourly rates increased by an amount equivalent to the same percentage as from Step 14 to 15 of the relevant pay grade for the class(es), subject to the approval of the Secretary of Administration as required by Title 3, V.S.A. 310 (h).

(3) Any raising of the hiring rate for a class under this provision shall not be deemed inconsistent with the provisions of paragraph 15.

15. Other Adjustments

(a) This section shall be considered to be in compliance with Title 3, Section 310(h).

(b) Nothing in Sections 14 or 15 shall prevent the Commissioner of Human Resources from subsequently lowering the hiring rate for one (1) or more classes; provided no employee shall be reduced in salary or step as a result.

(c) Any agency request to change a hiring rate under this section shall be in accordance with guidelines as may be established by the Commissioner of Human Resources.

(d) If the Commissioner of Human Resources wishes to grant more than a one (1) step increase for those persons at or above the new EOP, or increase the maximum of the grade for that class, the impact of such decision shall be negotiated for up to forty-five (45) calendar days with the VSEA. At the end of the forty-five (45) calendar day period, commencing with notice by the Commissioner of Human Resources, subject to the provisions of (e), below, the State may implement any proposed adjustment without further negotiations or recourse to the statutory impasse procedures, by either party.

(e) If a subsequent review of the Commissioner of Human Resources' recommendation for a market factor adjustment by the Commissioner of Finance and Management and/or the Secretary of Administration results in a change to the proposed adjustment, the State shall negotiate the impact of the proposed adjustment with the VSEA for up to fifteen (15) calendar days. At the end of the fifteen (15) calendar day period commencing with notice by the Commissioner of Human Resources, the State may implement the adjustment without further negotiations or recourse to the statutory impasse procedures.

(f) Notwithstanding the recommendations of the Commissioner of Human Resources or the Commissioner of Finance and Management, the Secretary of Administration shall have the final authority to approve, deny or modify the recommendations (rates, timetables or classes

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affected) for adjustments, both initially and/or in any subsequent review subject only to any limitations provided in this agreement. The decision of the Secretary shall be final and not subject to negotiation or review in any forum, except to the extent that it is alleged that the Secretary has exceeded the parameters established by this agreement.

(g) If the Commissioner of Human Resources eliminates an MFA implemented prior to July 1, 1994, as a percentage differential, any affected employee will retain his/her then current rate of pay until his/her next step date, at which time (s)he shall be placed at the next higher regular step (without the MFA), unless the provisions of the MFA specify otherwise.

Nothing in this Agreement will prevent the Human Resources Commissioner from establishing a new MFA with a built-in termination date or other limitation.

(h) Any Market Factor Adjustment in effect on July 4, 1992, shall be considered a temporary add-on only for the time an employee remains in that class. During the life of this Agreement, with the agreement of the VSEA, the State may implement Market Factor Adjustments for consideration other than hourly rate adjustments.

(i) The State and VSEA will establish a joint study committee consisting of four (4) representatives from the State and four (4) representatives from VSEA to discuss methods and funding to extend the State Police Lieutenant's Pay Plan to Bargaining Unit members who currently are required to retire by the age of fifty-five (5) and in the Group C Retirement Plan.

ARTICLE 49  
SALARIES AND WAGES

1. The compensation plans for State employees covered by this Agreement, except State Police Lieutenants, shall be as follows:

	Effective Date
Appendix I	July 1, 2016 <del>8</del>
Appendix II	Start of first full pay period in <del>July-January 2016</del> <u>July-January 2016</u> ( <del>July-January 106, 2016</del> )
Appendix III	Start of first full pay period in <del>July-January 2017</del> <u>July-January 2017</u> ( <del>July-January 95, 2017</del> )

2. Salary is computed as an hourly rate rounded to the nearest whole cent.

3. (a) Effective with the start of the first full payroll period in ~~July-January 2016~~ July-January 2016, all employees covered by this Agreement shall receive a ~~two-one and thirty-five tenths percent (21.035%)~~ increase, based on the rates in force on the prior day. Such adjustments shall be applied to the salary grid. Effective with the start of the first full payroll period in ~~July-January 2017~~ July-January 2017, all employees covered by this Agreement shall receive a ~~two-and-one-quarterone and thirty-five tenths percent (21.2535%)~~ increase, based on rates in force on the prior day. Such adjustment shall be applied to the salary grid.

(b) Employees who are equal to, or more than ~~two-one and thirty-five tenths percent (21.035%)~~ above the maximum for their pay grade, on the effective date of the ~~July-January 2016-2019~~ July-January 2016 increase shall instead receive a lump sum payment equivalent to ~~two-one and thirty-five tenths percent (21.035%)~~ of their base hourly rate, annualized and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period in ~~July-January 2016~~ July-January 2016. Employees equal to or more than ~~two-and-one-quarterone and thirty-five tenths percent (21.2535%)~~ above the maximum for their pay grade on the effective date of the ~~July-January 2017~~ July-January 2017 increase shall instead receive a lump sum payment equivalent to ~~two-and-one-quarterone and thirty-five tenths percent (21.2535%)~~ of their base hourly rate, annualized, and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period in ~~July-January 2017~~ July-January 2017.

(c) Employees who are less than ~~two-one and thirty-five tenths percent (21.035%)~~ above the maximum for their pay grade, on the effective date of the ~~July-January 2016~~ July-January 2016 increase shall receive that proportion of the increase that will result in their placement on Step 15 of their pay grade, and shall receive the difference between this base salary increase and the ~~two-and-one and thirty-five tenths percent (21.035%)~~ increase, annualized and prorated for part-time employment, as a lump sum payment as specified above. Employees who are less than ~~two-and-one-quarterone and thirty-five tenths percent (21.2535%)~~ above the maximum of their pay grade on the effective date of the ~~July-January 2017~~ July-January 2017 increase, shall receive that proportion of the increase that will result in their placement on step 15 of their pay grade, and shall receive the difference between this base salary increase and the ~~two-and-one-quarterone and thirty-five tenths percent (21.2535%)~~ increase, annualized, and prorated for part-time employment, as a lump sum payment as specified above.

(d) Effective on first day of the first full pay period in ~~July-January 2016~~ July-January 2016, those employees who are permanent or limited status, classified employees on the preceding day, and who have an annualized salary, (after the addition of the ~~two-one and thirty-five tenths percent (12.035%)~~ increase is applied) which is less than ~~twenty-five-nine thousand, nine-one hundred and fifty-eighttwenty~~ dollars (\$~~259,958~~259,958), will be paid one-fourth (1/4) of the difference between their annualized salary and ~~twenty-five-nine thousand, nine-one hundred and fifty-eighttwenty~~ dollars (\$~~259,958~~259,958) at the beginning of each calendar quarter so long as their annualized salary is still less than ~~twenty-five-nine thousand, nine-one hundred and fifty-eighttwenty~~ dollars (\$~~259,958~~259,958) at the beginning of that calendar quarter. Effective on the first day of the first full pay period in ~~July-January 2017~~ July-January 2017, those employees who are

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permanent or limited status, classified employees on the preceding day, and who have an annualized salary, (after the addition of the ~~two and one-quarter~~one and thirty-five tenths percent (~~21.25~~35%) increase is applied) which is less than ~~twenty-five-nine~~ thousand, ~~nine one~~ hundred and ~~fifty-eight~~twenty dollars (~~\$259,958~~120), will be paid one-fourth (1/4) of the difference between their annualized salary and ~~twenty-five-nine~~ thousand, ~~nine one~~ hundred and ~~fifty-eight~~twenty dollars (~~\$259,958~~120) at the beginning of each calendar quarter, so long as their annualized salary is still less than ~~twenty-five-nine~~ thousand, ~~nine one~~ hundred and ~~fifty-eight~~twenty dollars (~~\$259,958~~120) at the beginning of that calendar quarter. The calculation of this benefit for part-time employees who meet the above criteria will be prorated on the basis of the number of hours regularly worked. All employees covered by this section shall receive the above increases for each fiscal year.

4. The required time on each step in the Step Pay Plan shall be as follows:

Step 1 (probation) - normally, 6 months	
Step 2 (EOP) - one year	Step 9 - two years
Step 3 - one year	Step 10 - two years
Step 4 - one year	Step 11 - two years
Step 5 - one year	Step 12 - two years
Step 6 - two years	Step 13 - three years
Step 7 - two years	Step 14 - three years
Step 8 - two years	Step 15 - final step

5. Computation of Step Dates, and requirements for step movements for the Pay Plan in effect on June 30, 1990, shall remain unchanged.

At the beginning of the first full payroll period following the employee's new Step Date, the employee shall advance to the next higher step in the pay grade upon completion of the required time on step.

6. STATE POLICE LIEUTENANT COMPENSATION:

The compensation plan for State Police Lieutenants covered by this Agreement shall be as specified in Appendix G and Appendices IV and V.

7. Except as specified in Paragraph 6 in Article 12 (Performance Evaluation), movement to a higher step hereunder is predicated on satisfactory performance, based on the annual performance evaluation. In all cases, failure to achieve a satisfactory annual evaluation will result in loss of credit for that years' service in computing time on step.

8. An employee who has been demoted from a position:

- (a) without loss of pay; or
  - (b) with a percentage loss of pay pursuant to Section 6.072 of the Rules and Regulations for Personnel Administration; or
  - (c) with a loss of pay due solely to the fact that the employee's salary could not exceed the maximum for the lower pay grade;
- and who later returns within two (2) years to a position in a higher pay grade shall be considered, for purposes of salary adjustment, to be a restored employee under Section 6.077 of the Rules and Regulations for Personnel Administration.

9. Implementation of the compensation plans specified herein shall be in accordance with procedures developed by the Secretary of Administration subject to this collective bargaining agreement and shall not be subject to the provisions of Chapter 25 of Title 3. VSEA shall be granted a copy of the procedures thirty (30) days prior to implementation and shall retain the right to grieve any violation of this Agreement resulting from implementation of such procedures.

10. RATE AFTER PROMOTION, UPWARD REALLOCATION OR REASSIGNMENT

Effective July 5, 1992, upon promotion, upward reallocation or reassignment of a position to a higher pay grade, an employee covered by this Agreement shall receive a salary increase by being slotted onto that step of the new pay grade which would reflect an increase of at least five percent (5%) over the salary rate prior to promotion (i.e., five percent (5%) is the lowest amount

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an employee will receive, and the maximum amount would be governed according to placement on a step which might be higher than, but nearest to, the five percent (5%) minimum specified). The rate of five percent (5%) as outlined above shall be eight percent (8%) if the employee is moving upwards three (3) or more pay grades.

An employee, who moves, for the first time, into the Supervisory Bargaining Unit by promotion, upward reallocation, redesignation, upward reassignment, or lateral transfer, on or after July 1, 2005, shall receive a salary increase of eight percent (8%) regardless of the number of pay grades involved. This subsection shall also apply if the movement is temporary or time limited. A temporary assignment shall not qualify as a "for first time" movement into the Supervisory Unit.

Notwithstanding the above, any promotion or reclassification to a higher class as a result of an employee automatically "promoting" upon completion of the requirements of the lower level class as outlined in the position class description, the rate on promotion shall be eight percent (8%). In no case will such an employee receive less than the Step 2 (end of probation) rate of the new pay grade, unless the employee has not completed original probation, or more than the Step 15 (maximum) rate. If the employee's salary at the time of promotion, upward reallocation, or upward reassignment is already over the maximum of the new grade, no salary adjustment shall occur.

After placement on step in the new pay grade, the employee may advance to the next step after meeting the waiting period requirements applicable to that step (as set forth in Section 4 or Appendix G as applicable herein), based on the effective date of the promotion or upward reallocation.

11. The salary upon which any increase resulting from promotion, upward reallocation, or upward reassignment is computed for a given employee, is that employee's most recent salary in the last position in which any required probationary period was completed, plus any subsequent general salary adjustment, except that no employee will be reduced in salary as a result of this provision.

(a) An employee, except an employee on original probation who is promoted, upwardly reallocated, or upwardly reassigned shall be placed on the step in the new pay grade that is the result of the normal promotional increase.

(b) If a Request for Classification Review is submitted on or after January 13, 2002; and the incumbent is subsequently entitled to a retroactive pay adjustment due to corrective classification action (resulting from either classification review or classification grievance); and the incumbent has received a step increase after the date the request for review was filed but before the classification decision was processed; then the employee's salary shall be based on his/her rate of pay as of the date the adjustment is processed.

12. Employees who are laterally transferred to a different position in their same class, or into a different class but in the same pay grade, will not establish a new Step Date as a result of such move. This provision does not apply to employees on original probation.

13. (a) Effective July 5, 1992, when an employee voluntarily demotes three (3) or more pay grades, or is involuntarily demoted to a position in a lower pay grade, that employee shall be placed on a specific step in the new (lower) pay grade that is within the range for salary upon demotion specified in Section 6.072, et seq., of the Rules and Regulations for Personnel Administration which represents at least a one and one-half percent (1.5%) decrease in salary and then slotted down, but shall not be paid less than the minimum, nor more than the maximum for such lower pay grade. All such employees will establish a new Step Date.

(b) Effective January 13, 2002, and notwithstanding the above, when an employee voluntarily demotes one (1) or two (2) pay grades (whether by classification action or otherwise), the rate of pay shall be "red circled" and shall not be subject to a reduction. Such employee will move to the step next above his/her red circled rate on the next step date, except when the salary is over the maximum for the pay grade or falls on a step in the new Pay Grade. The next step date in such cases shall be based on the effective date of the demotion, and will be calculated on the required time on step assigned to the step next below the employee's red circled rate.

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Nothing in this agreement shall restrict or preclude the employer from discussing voluntary demotion or downward reallocation with an employee for other than disciplinary reasons.

14. When an employee is: promoted; demoted; restored; rehired in accordance with RIF rights; reallocated; or reassigned, a new Step Date shall be established, based upon the effective date of such action.

15. The Commissioner of Human Resources retains the following rights:

(a) Hiring Within Range

To hire employees above the end of probation rate for their class, consistent with 6.042 et seq. of the Rules and Regulations for Personnel Administration for the State of Vermont In any such instance, the Commissioner of Human Resources may raise the rate of current employees in that department in the same class and/or associated class to the rate of the newly hired employee. Employees so raised shall retain their old step date and time already accrued toward his/her next step movement. Any such hire or subsequent raising of the rate for previous hires shall not be deemed inconsistent with the provisions of paragraph 15 or 16 so long as the hiring rate specified for the class remains unchanged.

(b) Changing Hiring Rate

(1) To raise the hiring rate for one or more classes. In such event the next higher numbered step shall be the new end of probation (EOP) rate. Original probationers shall be placed at the new minimum, (unless previously hired into range at a step greater than the new EOP) without affecting their step dates. Non-probationary employees below this new EOP rate in the affected class shall be placed on the new EOP rate. Non-Probationary employees in the class who are on steps at or above the new EOP rate shall receive a one (1) step increase. Step dates will be adjusted according to salary plan rules.

(2) Employees at or above the maximum will have their hourly rates increased by an amount equivalent to the same percentage as from Step 14 to 15 of the relevant pay grade for the class(es), subject to the approval of the Secretary of Administration as required by Title 3, VSA 310(h).

(3) Any raising of the hiring rate for a class under this provision shall not be deemed inconsistent with the provisions of paragraph 15.

16. Other Adjustments

(a) This section shall be considered to be in compliance with Title 3, Section 310(h).

(b) Nothing in Sections 14 or 15 shall prevent the Commissioner of Human Resources from subsequently lowering the hiring rate for one or more classes; provided no employee shall be reduced in salary or step as a result.

(c) Any agency request to change a hiring rate under this section shall be in accordance with guidelines as may be established by the Commissioner of Human Resources.

(d) If the Commissioner of Human Resources wishes to grant more than a one-step increase for those persons at or above the new EOP, or increase the maximum of the grade for that class, the impact of such decision shall be negotiated for up to forty-five (45) calendar days with the VSEA. At the end of the forty-five (45) calendar day period, commencing with notice by the Commissioner of Human Resources, subject to the provisions of (e), below, the State may implement any proposed adjustment without further negotiations or recourse to the statutory impasse procedures, by either party.

(e) If a subsequent review of the Commissioner of Human Resources' recommendation for a market factor adjustment by the Commissioner of Finance and Management and/or the Secretary of Administration results in a change to the proposed adjustment, the State shall negotiate the impact of the proposed adjustment with the VSEA for up to fifteen (15) calendar days. At the end of the fifteen (15) calendar day period commencing with notice by the Commissioner of Human Resources, the State may implement the adjustment without further negotiations or recourse to the statutory impasse procedures.



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(f) Notwithstanding the recommendations of the Commissioner of Human Resources or the Commissioner of Finance and Management, the Secretary of Administration shall have the final authority to approve, deny or modify the recommendations (rates, timetables or classes affected) for adjustments, both initially and/or in any subsequent review subject only to any limitations provided in this agreement. The decision of the Secretary shall be final and not subject to negotiation or review in any forum, except to the extent that it is alleged that the Secretary has exceeded the parameters established by this agreement.

(g) If the Commissioner of Human Resources eliminates an MFA implemented prior to July 1, 1994 as a percentage differential, any affected employee will retain his/her then current rate of pay until his/her next step date, at which time (s)he shall be placed at the next higher regular step (without the MFA), unless the provisions of the MFA specify otherwise.

Nothing in this Agreement will prevent the Human Resources Commissioner from establishing a new MFA with a built-in termination date or other limitation.

(h) Any Market Factor Adjustment in effect on July 4, 1992, shall be considered a temporary add-on only for the time an employee remains in that class. During the life of this Agreement, with the agreement of the VSEA, the State may implement Market Factor Adjustments for consideration other than hourly rate adjustments.

(i) The State and VSEA will establish a joint study committee consisting of four (4) representatives from the State and four (4) representatives from VSEA to discuss methods and funding to extend the State Police Lieutenant's Pay Plan to Bargaining Unit members who currently are required to retire by the age of fifty-five (5) and in the Group C Retirement Plan.

ARTICLE 49 (NMU) ARTICLE 53 (SUP) ARTICLE 54 (COR)  
STATE EMPLOYEE HEALTH PLANS

1. State Employee Health Plans:

(a) The plans are as follows:

- (1) an Indemnity-type plan with the common mental health and substance abuse, prescription drug, vision, and wellness benefits; and
- (2) a Point of Service (POS) plan with the common mental health and substance abuse, prescription drug, vision, and wellness benefits.

The State will provide the current State Employee's Wellness Program to all covered employees and retirees (but not dependents) enrolled in one (1) of the health plans.

The State and VSEA will continue to discuss and pursue Wellness initiatives and options that would enhance the current Wellness Program. These initiatives and options, if mutually-agreed to by the parties, will be incorporated into the Wellness Program.

(b) Prescription Drugs. The prescription drug benefit for the Total Choice, Health Guard PPO (if applicable), and Select Care POS Plans shall implement the following. There shall be an initial deductible of twenty-five dollars (\$25) per patient for each year. Commencing on January 1, 2019, the initial deductible will increase to fifty dollars (\$50.00). As is currently the case, the State may select the Pharmacy Benefits Manager, who shall implement the terms of this section in accordance with its contract with the State. The Pharmacy Benefits Manager shall, in accordance with industry standards, categorize (and may subsequently recategorize) prescription drugs into three tiers: generic, preferred brand and non-preferred brand. There shall be a co-payment by the patient on each prescription of ten percent (10%) for generic drugs, twenty percent (20%) for preferred brands, and forty percent (40%) for non-preferred brands. If there is no effective generic or preferred alternative to it, the co-payment for non-preferred brands shall be twenty percent (20%). There shall be a maximum out of pocket by the patient, in addition to the deductible, of six hundred seventy-five dollars (\$675), effective January 1, 2009, and seven hundred fifty dollars (\$750) effective January 1, 2010. Co-payments made at the forty percent (40%) rate for non-preferred brands shall not be counted toward the maximum out-of-pocket limit (i.e., there shall be no maximum out-of-pocket limit for co-payments made at the forty percent (40%) rate for non-preferred brands). The maximum out-of-pocket shall apply to all co-payments made at the ten percent (10%) or twenty percent (20%) rate. The maximum out-of-pocket limit shall also apply to all co-payments made for Specialty drugs at the forty percent (40%) rate. ~~The Pharmacy Benefit Manager shall, prior to implementing the list, and annually thereafter, provide a proposed list of the division of drugs into tiers prior to the implementation of such drug list. The parties will meet, review and discuss the drug list promptly. The parties must consider each other's positions in good faith. During any year, the Pharmacy Benefit Manager may bring forward revisions for discussion and review in accordance with this paragraph. If VSEA contends that the list or revision finally implemented by the State violates this agreement, the VSEA retains all rights to contest this action.~~ Effective January 1, 2019, the prescription drug formulary, formerly referred to as "the list" shall change to the standard, national formulary of the Pharmacy Benefits Manager and the State shall have the authority to authorize the Pharmacy Benefits Manager to apply reasonable quality and cost measures such as prior authorization and drug quantity management.

(c) Study Committee. The parties shall utilize the Benefits Advisory Committee, with equal membership by the State and the VSEA, for the purpose of reviewing all issues related to health care and prescription drugs, and recommending changes to the bargaining committees. The parties shall also establish a special study committee to evaluate the current health plans, and make recommendations to the bargaining committees of the State and employees for sustainable savings in the health care plans.

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2. **Premium Share:**

The State shall pay eighty percent (80%) of the premium cost of each plan and the employee or retiree will pay the remaining twenty percent (20%).

3. **Insurance Pools:**

If the State of Vermont is required by the Vermont Legislature to institute any insurance plan or pool, and the state employees' health plans are required to participate in such plan or pool, and the plan or pool:

(4a) includes a membership larger than the groups currently covered by the state employees' health plans; or

(2b) alters the structure of the state's current health plan offerings or their operating foundations; or

(3c) has an impact on plan benefits; or

(4d) increases premium rates;

the State and VSEA agree to a limited contract reopener for the purpose of negotiating the impacts of such change. Both parties shall retain all statutory impasse rights.

4. ~~Medical Plan Benefit Changes effective January 1, 2013:~~ Commencing on January 1, 2013, the SelectCare Health Insurance Plan employee co-payments that were fifteen dollars (\$15.00) will increase to twenty dollars (\$20.00). Commencing on January 1, 2019, the SelectCare Health Insurance Plan employee co-payments for non-specialist office visits that were twenty dollars (\$20.00) will increase to twenty-five dollars (\$25.00), and specialist office visit co-payments that were twenty dollars (\$20) will increase to forty dollars (\$40). SelectCare emergency room visit co-payments that were fifty dollars (\$50) will increase to one hundred dollars (\$100). SelectCare magnetic resonance image (MRI) co-payments will be fifty dollars (\$50).

5. **Eligibility/Enrollment:**

For purposes of this Article, "Plan" means any approved health plan in which the employee is enrolled.

(a) Eligibility requirements:

Minimum hours working requirement for eligibility for permanent part-time employees shall be as follows: to be eligible for membership in a Plan, an employee must be certified by the appointing authority as being expected to work at least one thousand forty (1040) hours per year in their position. The Commissioner of Human Resources may require a certificate from any appointing authority as appropriate to ascertain that any employee, or group of employees, initially meets and continues to meet this eligibility requirement. An employee who is not certified as meeting the eligibility requirement expressed herein shall not be allowed to join a Plan, and any employee initially certified as meeting the minimum working hours requirement may stay in a Plan only so long as the reasonable expectation of working at least one thousand forty (1040) hours per calendar year continues. No membership will be terminated under this section without reasonable notice and an opportunity for hearing before the Commissioner of Human Resources. Permanent part-time employees in an inactive status (i.e., a regular or irregular layoff due to seasonal needs or lack of work) who continue to meet Plan eligibility requirements may remain in the Plan, but they shall be responsible for payment of the entire premium in advance of the due date to the Department of Human Resources, Benefits Division. For purposes of continued participation in the Plan, employees under this section shall be governed by the same rules provided for employees in unpaid, non-medical leave of absence status.

For purposes of this article, "due date" for an employee refers to each date on which the State pay date falls and on which the payroll deduction of premium would normally be made. For a retiree, "due date" shall be the first day of each month. Failure of the member to render required payments under this article in advance of the due date shall result in automatic cancellation of membership in a Plan.

(b) Open Enrollment Period:

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There shall be an annual open enrollment period for State Employee Health Plans every November. Coverage shall be effective on the first day of January following the open enrollment period. Initial premium deductions shall be taken in the pay check for the pay period which includes January 1, each year.

(c) Enrollment Eligibility of New Hires and New Dependents:

Newly hired employees shall be eligible to enroll in any of the Plans between their first and 60th day of employment. Employees can enroll newborn or newly acquired dependents within sixty (60) days of birth, adoption, marriage, legal civil union, or bona fide domestic partnership. Enrollments in any of the Plans shall be in accordance with the rules of the Plans.

(d) Enrollment Form:

All Plan applicants shall be required to fill out and sign an eligibility/enrollment form provided by the Department of Human Resources.

(e) Enrollment Exceptions:

For purposes of this subsection, the term "spouse" shall be synonymous with legal civil union partner or bona fide domestic partner. Except in the case of new hire, marriage, legal civil union, bona fide domestic partnership, childbirth or adoption, divorce, dissolution of a legal civil union or a bona fide domestic partnership, death of a spouse, or spouse's job loss, enrollment will not be permitted outside the open enrollment period. An employee covered by one of the Plans shall not be allowed to change Plans outside the open enrollment period except in case of a permanent change of residence of such employee to a service area not covered by the managed care plan in which the employee is enrolled.

(f) Eligibility for Health Coverage - RIF:

An employee who is laid off on or after July 1, 1992, pursuant to the provisions of Reemployment Rights, may elect to continue membership in their Plan, upon advance payment of the regular percentage contribution to the cost of the Plan, during the first six (6) full pay periods next following the effective date of separation, provided the employee retains reemployment rights under the Reemployment Rights Article. This provision shall not apply to any employee who is subsequently returned to layoff status after having accepted a reemployment offer. An employee who accepts the offer under Section 8(d) of the Reemployment Rights Article to displace and become a temporary employee shall be eligible for membership in their Plan under the above, until such employee declines a single mandatory offer of reemployment.

Thereafter, former employees who remained as members of the Plan shall be eligible to remain in the Plan so long as they continue to make required payment of the entire premium in advance of the due date to the Department of Human Resources, Benefits Division. This benefit and privilege shall continue for the period of RIF status, not to exceed two (2) years from the effective date of separation. Any member under this section who drops or loses health insurance coverage, either voluntarily or by failing to pay the premium, shall not be eligible to re-enroll in the insurance plan during the remainder of their RIF status (although such former members may elect to be covered, in accordance with Plan rules, upon return to active State service through exercise of RIF rights). An employee who returns to active employment after a layoff shall not be eligible to enroll in any plan other than the plan in which the employee was enrolled at the time (s)he left active employment. All eligible dependents at the time of re-enrollment shall be eligible for coverage.

(g) Eligibility for Health Coverage - Leave of Absence (LOA) Status:

(1) Non-medical LOA: Members on an approved, unpaid leave of absence (non-medical) may remain in their Plan for the period of the approved leave, plus extensions, so long as they continue to make required payment of the entire premium in advance of the due date to the Department of Human Resources, Benefits Division. Any member under this Section, who drops or loses coverage, either voluntarily or by failing to pay the premium, shall not be eligible to re-enroll in any Plan during the remainder of their period of leave of

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absence status, and may not rejoin the Plan upon return to active status until an open enrollment period arises.

(2) Medical LOA: Members on an approved, unpaid leave of absence granted for medical reasons may remain in their Plan for the period of the approved leave, plus any extensions, so long as they continue to make required payment of their share of the premium, as provided herein, in advance of the due date, to the Department of Human Resources, Benefits Division. During the first twelve (12) months of medical leave of absence, the State will continue to pay eighty percent (80%) of the premium, and the member will be responsible to pay the remaining twenty percent (20%). After twelve (12) months (which may be continuous, or an aggregate of leave time granted for a given illness or condition) a member may stay in their Plan for the remaining period of the medical leave of absence, plus extensions, so long as they continue to make payment of the entire premium in advance of the due date to the Department of Human Resources, Benefits Division. Any member under this Section, who drops or loses coverage, either voluntarily or by failing to pay the premium as required herein, shall not be eligible to re-enroll in a Plan during the remainder of their leave of absence status and may not rejoin a Plan upon return to active status until an open enrollment period arises.

(3) Paid LOA: Members on an approved, paid leave of absence may remain in a Plan for the period of approved paid leave. In any such case the employee's share of the premium will continue to be deducted from the employee's pay. Members in said status who elect to drop out of a Plan while on a paid leave shall be ineligible to re-enroll in a Plan upon return to active service until an open enrollment period arises.

(4) Military LOA: As permitted under benefit plan rules and/or the contract, an employee who returns to active employment after an unpaid military leave of absence shall not be eligible to enroll in any plan other than the plan in which the employee was enrolled at the time (s)he left active employment. All eligible dependents at time of re-enrollment shall be eligible for coverage.

(5) Legislative LOA: Employees on leave of absence to serve in the General Assembly of the State of Vermont shall retain insurance coverage hereunder and the State shall continue to pay eighty percent (80%) of the premium cost during such leave. The employee shall continue to pay their twenty percent (20%) share of the premium.

(h) Students: Students shall be covered for an additional sixty (60) days following the date of graduation. Students shall be required once per year to provide certification that they are a full-time student.

(i) The Plan shall provide coverage in compliance with requirements of 8 V.S.A. § 4089d (providing for extended coverage for certain dependent children).

**6. SELF INSURANCE**

Nothing herein shall prevent the State from self-insuring the terms of coverage or from contracting with an insurance company to provide substantially equivalent coverage.

**7. PRE-TAX PREMIUM PAYMENT**

The State will offer a pre-tax premium payment plan permitted under Section 125 of the Internal Revenue Code.

**8. FLEXIBLE SPENDING ACCOUNT**

The parties agree that the State shall have the right to use State Employee Health Plan funds to cover the administrative costs of operating the medical and dependent care flexible spending account programs.

**9. PLAN ADMINISTRATION**

(a) The State will keep a record of any surplus or deficit in Plan funds and will report its existence to VSEA.

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(b) Any surplus, including that portion attributable to the State's percentage of premium payment, shall remain with the State Employee Health Plan Fund and shall not be expended for any non-Fund purposes without mutual agreement.

(c) The State will give written notice to VSEA of its intent to apply any State Employee Health Plan Fund surplus to premium reduction, new benefits or continued accumulations, or, in case of an anticipated deficit, of the necessity to raise premiums.

The State will give at least forty-five (45) calendar days' written notice to VSEA over any proposed premium increase. At the request of VSEA, the State will consult and discuss the proposed premium increase for a period not exceeding thirty (30) calendar days from the date of such notice by the State, after which the State may implement its decision, whether or not the parties have bargained to genuine impasse. The statutory impasse procedure shall not apply.

(d) The State will consult with VSEA concerning the method of funding for any newly recognized benefit.

(e) VSEA shall have a reasonable opportunity (not less than thirty (30) days) to review any subsequently drafted plan booklet prior to publication.

(f) The VSEA will encourage employees and retirees with problems or questions concerning the administration of health care claims to directly raise those concerns with the Benefits Division of the Department of Human Resources. The Benefits Division will work cooperatively with employees or retirees to resolve such questions. If such questions or concerns are not resolved and the VSEA becomes involved in the issue, the Benefits Division shall work cooperatively with the VSEA to seek a resolution.

**ARTICLE 35  
SICK LEAVE**

**1. PURPOSE**

To establish the State's policies and practices which provide for a classified employee to be absent from duty with pay in the event of illness or injury.

**2. POLICY**

It is the policy of the State to help protect the income of a classified employee who cannot work due to illness or injury or for emergency periods when the employee must be absent from duty due to death or illness in his or her immediate family. Sick leave shall be administered in accordance with the following provisions:

(a) Accrual

(1) A classified employee shall receive sick leave benefits as follows:

(i) Upon appointment (original or restoration), the employee shall be credited with a bank of forty-eight (48) hours of sick leave on which he or she may draw during the first six (6) months of service.

(ii) At the end the first full payroll period following completion of six (6) months of service and at the end of every full payroll period thereafter, the employee shall be credited with sick leave for that payroll period, as follows:

YEARS OF SERVICE	ACCRUAL RATE
0<5	3.69
5<10	4.62
10<20	5.54
20+	6.46

Accrual rate is the number of hours an employee shall accrue per payroll period of service.

(iii) There shall be no limit placed on the total accumulation of earned sick leave hours.

(2) A part-time classified employee earns leave on a pro-rated basis. For example, an employee who works a half-time schedule earns one-half (1/2) of the regular accrual per pay period sick leave; if he or she worked four (4) days a week, he or she would earn four-fifths (4/5) of the regular pay period accrual, etc.

(3) Sick leave benefits shall accrue to a classified employee with a provisional appointment, limited appointment, or in an original probationary period as well as to a permanent status or limited status classified employee.

(4) When a classified employee separates from State service, the entire amount of unused sick leave shall lapse. An employee rehired by the State shall not receive credit for prior State service in establishing his or her rate of sick leave accrual, except in the instance of separation due to reduction in force, or when Temporary Service or Reemployment Credit is granted under the applicable Articles. An employee reemployed after separation due to reduction in force shall receive credit for prior State service in establishing his or her rate of sick leave accrual and shall be credited with the amount of unused sick leave held at the time of layoff. The employee shall not, however, accrue sick leave credits for the period during which he or she was separated from State service.

(5) A classified employee who is granted a leave of absence from a State classified position to enter the Armed Forces of the United States, serves honorably therein and applies for return to his or her position in State employment within ninety (90) days before or after termination from active duty for training, shall receive credit for such time in computing total years of full-time employment for the purposes of determining the rate of sick leave accrual. The employee shall not, however, actually accrue sick leave credits while on military leave.

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- (6) Time spent on leave of absence without pay shall not be counted in determining the rates of sick leave accrual, except that time spent on educational leave with or without pay shall be counted in determining rates of sick leave accrual.
- (7) An employee on educational leave of absence with pay shall not accumulate sick leave benefits.
- (8) Sick leave benefits may not be used by an employee prior to being credited to his or her account.
- (9) Upon satisfactory completion of the first six (6) months of employment in the classified service, such leave shall be granted on the basis of completed pay periods of service. A classified employee shall not be penalized his or her sick leave credit for any pay period during which the employee is off payroll for fewer than twenty (20) hours. However, an employee who is off payroll for twenty (20) hours or more during a payroll period shall not accrue sick leave for that pay period. This twenty (20) hour test shall be prorated for part-time employees.
- (b) Use of Sick Leave
- (1) The use of earned sick leave credits shall be authorized by an appointing authority or his or her delegated representative for an employee who is absent from work and unable to perform his or her duties because of illness, injury, or quarantine for contagious disease. The use of such credits shall also be authorized for employee medical and dental appointments which cannot reasonably be made outside the employee's normal working hours.
- (2) The use of sick leave credits may be authorized by an appointing authority or his or her delegated representative to permit a classified employee to be absent from duty due to death or illness in his or her immediate family. Such absences shall be authorized normally up to ten (10) workdays which should be sufficient time in which to make funeral arrangements and to attend to family matters, or in instances of family illness, to arrange for continued care of the ill family member. In unusual circumstances, the appointing authority may authorize use of additional sick leave credits.
- (3) An employee who has an accumulated sick leave balance shall be authorized its use although recovery and return to duty is impossible. However, periodically, at the request of the appointing authority or representative, the disability or illness and inability to perform position requirements, must be certified to by a licensed physician or osteopath.
- (4) If a woman is unable to work because of pregnancy, miscarriage, abortion, or illness resulting therefrom, she may use accumulated sick leave credits under the same conditions which apply to other illnesses or disabilities, and as provided for in the Parental Leave Article. If the employee wishes to extend her period of absence beyond the time when she is physically unable to work, she may use accumulated annual leave or compensatory time off, and/or she may request a leave of absence without pay under the Parental Leave Article
- (5) Unless physically unable to do so, an employee shall notify his or her supervisor or other person designated by the appointing authority no later than one (1) hour prior to the beginning of the scheduled workday, of his or her inability to report to work and the nature of the illness. Unless physically unable to do so, if the employee occupies a position that normally must be filled (i.e., staffing at Woodside, the Vermont Veterans' Home, the Vermont Psychiatric Care Hospital, or the Middlesex Therapeutic Care Residence, Department of Public Safety Dispatch Supervisors), the appointing authority may require, through a clear advance directive, that the employee provide notice no later than two (2) hours prior to the beginning of the scheduled workday of his or her inability to report to work, and the nature of the illness.
- (6) An appointing authority, or delegated representative, may require, when there is sufficient reason, the submission of a certificate from a physician or other evidence to:



**ARTICLE 48**  
**PERSONAL LEAVE AS SICK LEAVE INCENTIVE**

1. An employee who in any fiscal three (3) month period (beginning with the first full payroll period in July, October, January, and April):
  - (a) Effective July 1, 2014, does not use sick leave, beyond eight (8) hours (except when on designated Family/Parental Medical Leave); and
  - (b) is not off payroll or on any type of leave of absence without pay or suspension without pay (except when on designated Family/Parental Medical Leave);shall be entitled to ten (10) hours of personal leave hours or ten (10) hours of cash at straight-time rates. Such Personal leave hour(s) shall not be: compensable in cash; convertible to other forms of leave; or accumulated from fiscal year to fiscal year except that personal hours earned in the last quarter of the fiscal year may be used in the next succeeding three (3) month period, but not thereafter.
2. No employee shall be entitled to earn more than forty (40) hours of personal leave or the equivalent in cash per fiscal year under the terms of Section 1 above.
3. Personal leave earned under this Article shall not be eliminated when an employee changes bargaining units. The employee may use it after such change during the same fiscal year, or, if the leave was earned during the last quarter of such fiscal year, may use it in the succeeding three (3) month period, but not thereafter.
4. This provision does not apply to employees in an original probationary period. However, upon completion of original probation an employee shall be eligible for any personal leave credits earned during the probationary period.

### TERMINATION OF AGREEMENT

1. This Agreement will be effective July 1, 2016~~8~~, and shall remain in effect until June 30, ~~2018~~2020.
2. This Agreement shall be renewed automatically for a twelve (12) month period following its expiration unless either party notifies the other, in writing, during the month of July, 2017~~9~~ that it wishes to modify the Agreement.

In the event such written notice is given by either party, the proposals which either party wishes to negotiate may be submitted to the other party, in contract language, under the bargaining schedule agreed to by the State and the VSEA. Negotiations will begin no later than August 1, 2017~~9~~, and will be completed no later than October 1, 2017~~9~~, unless the State and the VSEA agree to establish a different bargaining schedule for any units or joint issues. The parties agree to meet prior to the onset of negotiations to address issues relating to informational needs required for contract negotiations.

APPENDIX G  
STATE POLICE LIEUTENANT COMPENSATION

1. The compensation plans for State Police Lieutenants covered by this Agreement shall be as follows in accordance with the Side Letters of Agreement between the Parties dated December 1, 2011 and November 8, 2012, and as modified herein:

	Effective Date
Appendix III	July 1, 2016 <del>8</del> LTS Pay Plan
Appendix IV	Start of first full pay period in <del>July-January 2016</del> <sup>9</sup> ( <del>July-January 406,</del> 2016 <sup>9</sup> )
Appendix V	Start of first full pay period in <del>July-January 2017</del> <sup>20</sup> ( <del>July-January 5</del> 9, 2017 <sup>20</sup> )

(a) Effective July 1, 2012, the required time on each step in the VSP Step Pay Plan for State Police Lieutenants shall be as follows:

- |   |                      |
|---|----------------------|
| Step 1 (probation) - normally, 6 months |                      |
| Step 2 (EOP) - one year                 | Step 9 - one year    |
| Step 3 - one year                       | Step 10 - one year   |
| Step 4 - one year                       | Step 11 - one year   |
| Step 5 - one year                       | Step 12 - one year   |
| Step 6 - one year                       | Step 13 - one year   |
| Step 7 - one year                       | Step 14 - one year   |
| Step 8 - one year                       | Step 15 - final step |

(b) Computation of Step Dates, requirements for step movements and other provisions for administration of the Pay plan specified in Article 49 of this agreement, shall be applicable and remain unchanged, except as specifically modified herein. Implementation of the changes to the time required on each step, as reflected in subsection (a) above, shall be based on the day and month of the employee's next step date.

(a) Effective with the start of the first full payroll period in January 2019, all employees covered by this Agreement shall receive a six tenths of one percent (0.60%) increase, based on the rates in force on the prior day. Such adjustment shall be applied to the salary grid. Effective with the start of the first full payroll period in January 2020, all employees covered by this Agreement shall receive a six tenths of one percent (0.60%) increase, based on rates in force on the prior day. Such adjustment shall be applied to the salary grid.

(b) Employees who are equal to, or more than six tenths of one percent (0.60%) above the maximum for their pay grade on the effective date of the January 2019 increase shall instead receive a lump sum payment equivalent to six tenths of one percent (0.60%) of their base hourly rate, annualized and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period in January 2019. Employees equal to or more than six tenths of one percent (0.60%) above the maximum for their pay grade on the effective date of the January 2020 increase shall instead receive a lump sum payment equivalent to six tenths of one percent (0.60%) of their base hourly rate, annualized, and prorated for part-time employment. Lump sum payments will be made in the paycheck for the first full pay period in January 2020.

(c) Employees who are less than six tenths of one percent (0.60%) above the maximum for their pay grade on the effective date of the January 2019 increase shall receive that proportion of the increase that will result in their placement on Step 15 of their pay grade, and shall receive the difference between this base salary increase and the than six tenths of one percent (0.60%) increase, annualized and prorated for part-time employment, as a lump sum payment as specified above. Employees who are less than six tenths of one percent (0.60%) above the maximum of their pay grade on the effective date of the January 2020 increase, shall receive that proportion of the increase that will result in their placement on step 15 of their pay grade.

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and shall receive the difference between this base salary increase and the (0.75%) increase, annualized, and prorated for part-time employment, as a lump sum payment as specified above

2. The accrual rates and accumulation caps for Sick and Annual Leave for State Police Lieutenants covered by this Agreement shall be as follow: A "day" is 9 hours.

(a) For Annual Leave:

Years	Accrual Rate Per Pay Period	Accumulation Cap
0-5	.46 days	30 days
5-10	.58	35
10-15	.69	40
15-20	.77	42.5
20-30	.81	45
30+	.92	45

(b) For Sick Leave:

Years	Accrual Rate Per Pay Period
0-5	.46 days
5-10	.58
10-20	.69
20-30+	.81

**APPENDIX N (NMU) APPENDIX J (SUP) APPENDIX D (COR)  
VSEA STANDING COMMITTEES**

VSEA Committeemembers may attend committee meetings and proceedings during working hours may utilize earned annual leave, personal leave or compenstaory time, at their discretion, to attend such meetings, after requesting authorization from the Manager to do so, which authorization shall not be unreasonably withheld.

Currently existing VSEA Standing Committees:

- Awards/Scholarship
- Budget
- Building
- By-Laws
- Chapter Presidents
- Communications
- Diversity
- Elections, Rules and Nominations
- Information Technology
- Insurance
- Judicial Board
- Legislative
- Member Recruitment
- Member Support
- Pesonnal
- Policy
- Retirement Study