

ARTICLE 27
WAGES AND LONGEVITY

Section A. Fiscal Year 2016-2017.

On October 1, 2016, the base hourly rate in effect at 11:59 p.m. on September 30, 2016, for all steps in the pay ranges for all bargaining unit classifications shall be increased by one percent (1%).

At the end of the first full pay period in October, 2016, each full-time employee who is on the payroll as of October 2, 2016, and who has accumulated no less than 2080 hours of current continuous service since October 1, 2015, shall be paid a one-time cash payment of 1.5% of the annualized base hourly rate of pay in effect as of October 2, 2016, which shall not be rolled into the base wage. For a full-time employee who has accumulated less than 2080 hours of current continuous service since October 1, 2015, this payment shall be pro-rated based on the ratio between the employee's actual continuous service hours earned after October 1, 2015, and 2080 hours, times 1.5% of the annualized base hourly rate of pay in effect as of October 2, 2016.

Effective October 1, 2005, a new base step was added to each level of each pay range which shall be the current base step minus the difference between the current base step and the first step. In the event that the creation of such a new base step results in an employee employed in this Bargaining Unit on January 1, 2005, being placed at a lower pay rate upon promotion than they would have received under the pay range structure in place on September 30, 2005, the Employer will utilize provisions of Civil Service Regulation 5.01 Section 3.D.3.a(3) to grant an additional step.

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Section B. Fiscal Years 2017-2018 and 2018-2019.

Provisions concerning wages for fiscal year 2017-2018 and 2018-2019 shall be opened by either party giving written notice to the other of its intent to bargain in accordance with provisions of Article 39.

Fiscal Year 2017-2018.

On October 1, 2017, the base hourly rate in effect at 11:59 p.m. on September 30, 2017, for all steps in the pay ranges for all bargaining unit classifications shall be increased by three percent (3%).

Fiscal Year 2018-2019.

On October 1, 2018, the base hourly rate in effect at 11:59 p.m. on September 30, 2018, for all steps in the pay ranges for all bargaining unit classifications shall be increased by two percent (2%).

Section C. High Security Retention Premium Pay.

The State will continue the High Security Premium Pay program described below. The program is intended to provide financial incentives to Security Unit employees to continue working in certain high security correctional assignments, and not to transfer to other -- lower security -- assignments, work locations and institutions.

The high security assignments for which the premium is to be paid are work units with a security designation of level IV or higher within a Department of Corrections, Correctional Facilities Administration institution which itself is designated by the Michigan Department of Corrections as having a security rating of level IV or higher. Employees in work units with a security designation of level IV or higher at other CFA facilities and institutions (i.e., regional, multiple, medium and minimum) are not eligible for the premium payment.

Employees employed in the high security work units described above who, at the end of the immediately preceding pay period, have two or more years (4,160 or more hours) of Bargaining Unit seniority, as defined in Article 13, Section C. of this Agreement, shall be entitled to receive \$.50 per hour above the regular rate for their step in their classification's pay range. Such compensation shall be paid for all hours the employee is in pay status, including holidays and leave time used (except Union administrative leave of absence used pursuant to the provisions of Article 7, Section F. of the Agreement). Such premium

payment shall be included as part of the regular rate of pay in computing overtime premium pay.

Payment of the high security premium pay shall be made together with the regular biweekly pay warrant, unless it is determined that such pay calculation cannot be accomplished under the state's automated payroll system.

Employees of new facilities opening after the effective date of this Agreement which have a security designation of level IV or higher shall receive the high security premium pay provided in this Section, when assigned for an indefinite term to a work unit with a security designation of level IV or higher. Employees at the Scott Correctional Facility shall also receive the high security premium pay when assigned for an indefinite term to a work unit with a security designation of level IV or higher. All Department of Corrections CTO classifications shall receive the retention pay.

New facilities opening after the effective date of this Agreement which have a security designation of level IV or higher shall first seek volunteers by classification for assignment to work units with a security designation of level IV or higher. Lacking a sufficient number of volunteers, the facility shall assign or reassign employees by inverse seniority.

A temporary assignment to a work unit or assignment with a security designation of level III or lower shall result in a loss of the high security premium pay only if such assignment totals more than ten consecutive full days of actual work. A temporary assignment to a work unit or assignment with a security designation of level IV or higher shall result in the temporary granting of high security premium pay only if such assignment totals more than ten consecutive full days of actual work.

Section D. Department of Health and Human Services Retention Premium Pay.

Employees employed at the Department of Health and Human Services Center for Forensic Psychiatry who, at the end of the immediately preceding pay period, have two or more years (4160 or more hours) of Bargaining Unit seniority shall be entitled to receive \$.50 per hour above the regular rate for their step in their classification's pay range. Such compensation shall be paid for all hours the employee is in pay status, including holidays and leave time

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used. Such premium payment shall be included as part of the regular rate of pay in computing overtime premium pay.

Section E. Longevity Pay.

Eligibility.

1. Career employees who separate from state service and return and complete five years (10,400 hours) of full-time continuous service prior to October first of any year shall have placed to their credit all previous state classified service earned.
2. To be eligible for a full annual longevity payment after the initial payment, a career employee must have completed continuous full-time classified service equal to the service required for original eligibility, plus a minimum of one additional year (2080 hours).
3. Career employees rendering seasonal, intermittent or other part-time classified service shall, after establishing original eligibility, be entitled to subsequent annual payments on a pro rata basis for the number of hours in pay status during the longevity year.

Payments. Payment shall be made in accordance with the table of longevity values based on length of service as of October 1 as listed below:

YEARS OF SERVICE	EQUIVALENT HOURS OF SERVICE ¹	ANNUAL PAYMENT
5	10,400	\$260
6	12,480	
7	14,560	
8	16,640	
9	18,720	\$300
10	20,800	
11	22,880	
12	24,960	
13	27,040	\$370
14	29,120	
15	31,200	
16	33,280	
17	35,360	\$480
18	37,440	
19	39,520	

20	41,600	
21	43,680	
22	45,760	\$610
23	47,840	
24	49,920	
25	52,000	
26	54,080	\$790
27	56,160	
28	58,240	
29 & Over	60,320+	\$1,040

¹ Eligibility for payment at any bracket will occur upon completion of the equivalent hours of service indicated in the bracket.

1. No active employee shall receive more than the amount scheduled for one annual longevity payment during any 12 month period except in the event of retirement or death.
2. Initial payments. Employees qualify for their initial payment by completing an aggregate of five years (10,400 hours) of continuous service prior to October 1. The initial payment shall always be a full payment (no proration).
3. Annual Payments.
 - a. Employees qualify for full annual payment by completing 2,080 hours of continuous service during the longevity year.
 - b. Employees who are in pay status less than 2,080 hours shall receive a pro rata annual payment based on the number of hours in pay status during the longevity year.
4. Payments to employees who become eligible on October 1 of any year shall be made on the pay date following the first full pay period in October; except that pro rata payments in case of retirement or death shall be made as soon as practicable thereafter.
5. Lost Time Considerations.
 - a. Lost time is not creditable continuous service nor does it count in qualifying for an initial or an annual payment.
 - b. Employees do not earn state service credit in excess of 80 hours in a biweekly pay period. Paid overtime does not offset lost time, except where both occur in the same pay period.

6. Payment to employees on leave of absence without pay and layoff on October 1.
 - a. An employee on other than a waived rights leave of absence, who was in pay status less than 2,080 hours during the longevity year, will receive a pro rata annual payment based on the number of hours in pay status during the longevity year; such payment shall be made on the pay date following the first full pay period in October.
 - b. An employee on a waived rights leave of absence will receive a pro rata longevity payment upon returning from leave.
7. Payment at retirement or death. An employee with 12,480 hours of currently continuous service, who separates by reason of retirement or death shall qualify and receive both a terminal and a supplemental payment as follows:
 - a. A terminal payment, which shall be either:
 - (1) A full initial longevity payment based upon the total years of both current and prior service, if the employee has not yet received an initial longevity payment; or,
 - (2) A pro rata payment for time worked from the preceding October 1 to the date of separation, if previously qualified. The pro rata payment is based on hours in pay status since October 1 of the current fiscal year.
 - b. A supplemental payment for all time previously not counted in determining the amount of prior longevity payments, if any.

Longevity Overtime. The regular rate add-on for longevity will be calculated and paid retroactively for overtime worked in the previous fiscal year. This amount will be included in the longevity payment.

Section F. Completion of Bargaining.

This completes the parties' obligation to collectively bargain over Article 27 Section A for fiscal year 2016-17, and Article 27 Sections B-F for fiscal years 2016-17, 2017-18 and 2018-19.