



UNDERSTANDING WITH STATE OF IOWA FROM MEETING OF NOV. 7, 2009 FACT SHEET

No AFSCME Bargaining Unit Jobs Lost: No AFSCME Iowa Council 61 Executive Branch state employee will be laid off between the date of approval and the end of the current fiscal year (June 30, 2010). **This means no employee in a job classification covered by Appendix A of the Master agreement will be laid off. This will include all departments in General Government and the Regents Institutions.**

Suspend Management Bumping: Employees who are outside the bargaining units and who are being laid off will not be permitted to displace employees who are in the bargaining units covered by the AFSCME Master Agreement. **This means that in the event the December and/or March Revenue Estimating Committee members are negative and management gets laid off, they cannot bump out bargaining unit employees.**

UPDATED 11/17/09: The suspension of the bump back provision for management will be extended through June 30, 2011.

Five (5) Mandatory Unpaid Days: Each of the approximately 20,000 state employees who are covered by the AFSCME Master Agreement will be required to take 5 (five) mandatory unpaid days (MUD) but not more than forty (40) hours during the remaining 7 months of FY2010 which ends June 30, 2010. You may request to take a mandatory unpaid day before or after a holiday. The contract provision that requires you to be in paid status the day before or after a holiday in order to be paid for the holiday will be waived for mandatory unpaid days. **The effect of this change will be that the Mandatory Unpaid Days can be used before or after a holiday and the employee will not lose holiday pay.**

All benefits such as sick leave and vacation leave will continue to accrue during mandatory unpaid days. Health Insurance premium payment will not be effected by the taking of mandatory unpaid days. Mandatory unpaid days will be treated as hours worked for the purpose of computing overtime. **The effect of this change will be that the Mandatory Unpaid Days will be treated as time worked in any workweek that they are taken to protect any extra hours an employee might work and so those extra hours worked could be overtime.**

UPDATED 11/10/09: Mandatory unpaid days will be scheduled and approved just like vacation days. You should request approval to take the unpaid days from your supervisor. Employee requests for both vacation and unpaid days will be approved in seniority order based on staffing needs. Supervisors will monitor unpaid day usage to insure it is being taken evenly throughout the seven month period. If enough days are not being taken, some unpaid days may be mandated. (CONTINUED ON REVERSE)

If you take a mandatory unpaid day and then are required to work on your days off during the same work week, the unpaid days will be considered as time worked for purposes of calculating overtime.

The effect of this change will be that the Mandatory Unpaid Days will be treated the same as vacation days except they will be **unpaid**. This means that you can take the Mandatory Unpaid Days in hourly increments or all five (5) at the same time. (Note: if they are taken all at one time that constitutes a temporary layoff and you will qualify for unemployment.) If an employee wants to take a week off, you can request all five (5) at once and if staffing is available it should be approved by your supervisor.

Suspend the State Contribution to the Deferred Compensation Program: The deferred compensation program for State Employees will undergo temporary changes to suspend the State's contribution through June 30, 2010. The employees' contribution to the deferred compensation program will remain as currently allowed under the AFSCME Master Agreement. This does not apply to Regents employees. **This is your 401k match – not your IPERS contribution.**

IPERS: Unfortunately you will lose the state and employee portion to your IPERS during mandatory unpaid days. However, depending on when you plan to retire, the effect on your retirement could be different. Suspending the employer contribution to IPERS for 5 unpaid days does not affect an employee's retirement unless the employee plans to retire and the year of the unpaid days will be included as one of the "high three" earnings years used to calculate the IPERS monthly benefit. If that happens, the employee may make up contributions (paying to IPERS both the employer and employee share for the 5 unpaid days) and have earnings recorded as if they had not had unpaid days off. The unpaid contributions also could slightly lessen death benefits or a refund, but the amount varies based on whether the employee is vested and how many years of service the employee has.

Contribution example for \$55,000 (average wage of AFSCME State Bargaining Unit Members)

5 unpaid days (one work week) - $\$55,000/52 \text{ week} = \1057.69 per week

Regular members

$\$1057.69 \times 6.65\% = \70.34 (employer share of contributions for one work week)

$\$1057.69 \times 4.30\% = \45.48 (employee share)

Total Lost IPERS Benefit = \$115.82

Protection occupations

$\$1057.69 \times 9.20\% = \97.31 (employer share of contributions for one work week)

$\$1057.69 \times 6.14\% = \64.94 (employee share)

Total Lost IPERS Benefit = \$162.25