

2025 – 2027
SUPPLEMENT TO MASTER AGREEMENT
between the
STATE OF MONTANA
PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION
and the
MONTANA FEDERATION OF PUBLIC EMPLOYEES

ARTICLE 1.
WORKDAY AND REST BREAKS

Section 1. The regular workday will be from 8:00 a.m. to 5:00 p.m. One 15-minute rest break will be granted during the first four hours of the eight-hour workday and one 15-minute rest break during the second four hours. Notification prior to leaving the building during a rest break will be required. For any non-approved leave for personal reasons extending over 15 minutes, the employee will be required to take the appropriate leave time. Rest breaks may not be used to extend lunch periods, except with prior approval.

ARTICLE 2.
OVERTIME & COMPENSATORY TIME

Section 1. For the purposes of calculating overtime, only time worked over 40 hours in a week can create overtime pay or compensatory time at one and one-half regular pay. Paid leave times (annual, sick, banked holiday, floating holiday, or compensatory) do not count as time worked. An employee must reduce paid leave time on their timesheet before overtime or compensatory time may be recorded.

Section 2. Management personnel may occasionally assist in performing or perform tasks otherwise considered to be duties of bargaining unit members.

ARTICLE 3.
FEDERATION/MANAGEMENT COMMITTEE

Section 1. In order to facilitate communication and resolve issues of mutual interest, a Federation/Management Committee will be formed which will consist of no more than three employees who are members of the bargaining unit and three employer representative(s). These six individuals will make up the core committee.

Section 2. The Committee shall not take the place of bargaining or the grievance procedure but will consider day-to-day kinds of matters which are not discussed in the staff meetings, unless it is mutually agreed that the subject be considered by the Committee. In no case will this committee modify or abrogate the terms and conditions of this contract or the Master Agreement.

Section 3. The Executive Director of the Montana Public Employee Retirement Administration (MPERA), the Director's designee or the bargaining unit executive committee may request such a meeting. The meeting will be held on the Employer's

time whenever possible, at a time and date mutually agreeable. Meetings will be held twice a year at a time and place mutually agreed upon or more often as necessary.

ARTICLE 4. FLEXIBLE HOURS

Section 1. Employees may request changes to their regular schedules in the following categories:

Flex-time – situational requests to adjust an employee’s schedule during a week period. Normally such requests will address short-term scheduling changes to offset time for personal needs.

Alternate work schedule – a long-term change to an employee’s schedule with the following conditions documented: schedule, duration, and conditions for repeal of the schedule.

Section 2. Management shall consider organizational needs and similar requests for schedule changes when making a decision to approve or deny. Management may designate positions that are not eligible for alternate work scheduling.

ARTICLE 5. CLASSIFICATIONS

Section 1. An employee or their representative affected by the operation of the Classification Act is entitled to file a complaint with the Board of Personnel Appeals provided for by law and to be heard under the provisions of a grievance procedure to be prescribed by the Board.

Section 2. Direct or indirect interference, restraint, or retaliation by an employee’s supervisor or the agency for which the employee works or by any other agency of state government against an employee because the employee has filed, or attempted to file, a complaint with the Board shall also be basis for a complaint and shall entitle the employee to file a complaint with the Board and to be heard under the provisions of the grievance procedure prescribed by the Board.

Section 3. An action attempting to revise the class specifications of or series of class specifications involving an employee exercising the right to appeal their classification, which would adversely affect the employee prior to final resolution or entry of a final order with respect thereto is presumed to be an interference, restraint, coercion, or retaliation prohibited by Section 2 of this Article unless such review was commenced or scheduled prior to filing of the appeal and was not prompted by the grievance appealed from. The presumption is rebuttable.

**ARTICLE 6.
LEAVES**

Section 1. An employee awaiting approval on an industrial accident claim must be considered on leave without pay, sick leave or vacation pay status and must provide all required medical information from the attending physician or must provide a valid leave request, specifying the anticipated length of the absence.

**ARTICLE 7.
JOB SECURITY**

Section 1. A probationary period shall be utilized for the most effective adjustment of a new employee and for the elimination of any employee whose performance does not, in the judgment of the employee's supervisor, meet the required standard of performance.

Section 2. The probationary period shall last for 12 months. If the Employer determines at any time during the probationary period that the services of the probationary employee are unsatisfactory, the employee may be separated upon written notice from the Employer. The matter of the creation of additional probationary periods may be discussed in the appropriate supplemental(s).

**ARTICLE 8.
JOB VACANCIES**

Section 1. Whenever a vacancy or newly created position occurs within the bargaining unit, the Employer will prepare a job notice and post the position externally with email notice given to Federation members. Members who apply for the position will be hired over external candidates where qualifications for the position are substantially equal.

**ARTICLE 9.
GRIEVANCE AND ARBITRATION**

Section 1. Having a desire to create and maintain harmonious labor relations between them, the parties agree that they will promptly attempt to address all complaints, disputes, controversies, or other grievances arising between them involving questions of interpretation or application of the written provisions of this Agreement. All potential grievances must be discussed with the immediate supervisor prior to the filing of a formal grievance and no formal grievance may be filed until the immediate supervisor has been given an opportunity to attempt resolution.

Section 2. Grievance Procedure.

Step 1

A grievance involving the interpretation or application of the written provision(s) of this Agreement shall be submitted by the employee or union representative to the employee's immediate supervisor or management designee within 14 calendar days

from the occurrence of the grievable event. The immediate supervisor or management designee shall have 14 calendar days from receipt of the grievance to respond in writing.

Step 2

If the grievance is not resolved at Step 1, a formal grievance may be submitted by the Union in writing within 14 calendar days from the immediate supervisor's or management designee's response to Step 1. The grievance should be submitted to the appropriate management official. The management official at the second step shall have 14 calendar days from receipt of the grievance to respond in writing.

Step 3

If the grievance is not resolved at Step 2, the Union may submit a Step 3 formal grievance to the agency head or designee within 21 calendar days of the Step 2 response. The agency head or designee shall have 21 calendar days from receipt of the grievance to respond in writing.

Step 4

Should the Union consider the decision of the agency head unsatisfactory, the Union shall, within 21 calendar days of such decision, notify the agency head and the State Office of Labor Relations of its intention to take the grievance to arbitration.

Step 5

After notification of arbitration, the State Office of Labor Relations (OLR) will work with the Union and management to determine if there is a mutually acceptable resolution that can be found or if the matter should go to mediation. If OLR determines the parties cannot resolve informally or through mediation, the decision should proceed to final and binding arbitration. If there is a cost associated, the parties will share it equally. The timeline for the grievance processing will be put on hold until the mediation is final or the decision is made to move to arbitration.

Section 3. Rules of Grievance Processing.

Subsection 1. Waiving time limits. Time limits at any stage of the grievance procedure may be extended by written mutual agreement of the parties at that step.

Subsection 2. Timeliness. A grievance not filed or advanced by the grievant within the time limits provided shall be deemed permanently withdrawn. Failure on the part of the Employer's representative to answer within the time limit set forth in any step will entitle the employee to the next step.

Subsection 3. Elements of the grievance. All presentations of grievances shall be submitted to the Employer in writing at each step and must include:

1. Name of employee(s)/Union grieving.
2. Date of the violation.
3. The step of the grievance.
4. A complete statement of the grievance and facts upon which it is based.
5. The specific Article(s) and Section(s) of the Agreement violated.
6. The specific remedy or correction requested.
7. The signature of each grievant or representative.

Subsection 4. Alternative procedures.

1. As recognized in § 49-2-512, Title 49 of Montana Code Annotated establishes the exclusive remedy for acts constituting an alleged violation of the Montana Human Rights Act. In the event of a grievance based upon an alleged violation of this Act, the statutory procedures of filing a claim with the Human Rights Bureau shall be the exclusive remedy.
2. As recognized in § 2-18-1011, Title 2 of Montana Code Annotated establishes the exclusive remedy for an alleged violation of classification or compensation. In the event of a grievance based upon an alleged violation of this provision, the statutory procedures of filing a claim with the Board of Personnel Appeals shall be the exclusive remedy.

Section 4. Rules of Arbitration.

Subsection 1. Selection of Arbitrator. The parties shall request a list of seven arbitrators from the Board of Personnel Appeals and shall alternatively strike names from the list. The last remaining name shall serve as the arbitrator.

Subsection 2. Arbitrator's limitations. No grievance which fails to meet the requirements of Section 3, Subsection 3 of this Article shall be determined to be arbitrable. The arbitrator may not add to, subtract from, or modify the terms of this Agreement.

Subsection 3. The parties agree either party may file pre-arbitration dispositive motions or request a bench decision from the arbitrator.

Subsection 4. Each party shall share equally the cost of the arbitrator. In the event one of the parties wants transcripts from the proceedings of the arbitration, the party requesting the transcripts shall pay the entire cost. If each party requests a transcript, they shall equally share the cost.

Subsection 5. The arbitration location shall be in Helena, Montana unless otherwise mutually agreed by the parties.

**ARTICLE 10.
BROADBAND PAY PLAN PROVISIONS**

Section 1. Statement of broadband pay plan objectives. It is the objective of the Montana Public Employee Retirement Administration to pay employees for their competencies and accomplishments and to consider market factors in establishing pay. The following pay plan provisions represent an initial step toward that goal by progressing employees to target pay for their occupation provided they are not under corrective action.

Section 2. Pay ranges. The following pay ranges are for bargaining unit positions represented by the Federation:

Classification Title	Working Title (s)	Job Code	Minimum	Target
Administrative Assistant 1	Receptionist	Q61021	\$32,960	\$39,567
Administrative Assistant 2	Receptionist	Q61022	\$38,635	\$46,381
Data Processor 2	Information Systems Processor	Q92012	\$31,964	\$38,372
Document Imaging Operator	Imaging Clerk	Q97021	\$31,701	\$38,057
Customer Service Assistant 2	Customer Service Representative	Q45012	\$32,936	\$39,539
Legal Secretary 1	Legal Specialist	Q61031	\$47,783	\$57,363
Benefits Specialist 1	Benefits/Analyst/ Disability Claims Examiner	B1E021	\$55,231	\$69,039
Accountant 2	Pension Financial Specialist/ Financial Accountant	B21012	\$57,745	\$72,181
Public Relations Specialist 1	Publications Specialist	I33011	\$55,337	\$69,171
IT Systems Analyst 1	Computer Systems Analyst	C1C011	\$68,816	\$86,020
IT Systems Analyst 2	Quality Assurance Analyst	C1C012	\$78,281	\$97,851
IT Systems Administrator 1	LAN Administrator	C1E011	\$69,757	\$87,196
Software Developer 2	Computer Application Engineer/ DevOps Engineer	C1D022	\$68,395	\$85,494
Database Administrator 2	Computer Application Engineer	C1E022	\$71,834	\$89,793

Section 3. Pay Increases. Employee pay increases within their occupational pay range shall be discretionary and based upon their performance. The pay increase will be effective the first day of the first full pay period immediately following a conclusive pay

increase determination made by bargaining unit member's supervisor that is approved by the executive director.

Section 4. Training assignments. The Executive Director or designee may establish written training assignments to enable an employee to gain the additional experience and training required for the job. In these cases, the Executive Director or designee may set the employee's base pay rate below the minimum for the occupation as indicated in Section 2 pay ranges, for a period of time not to exceed one year. At the completion of the training assignment, the employee's pay will be set no less than the minimum pay rate for the occupational pay band.

Section 5. Lead workers. Base pay for lead workers, as identified by the Executive Director, will be five percent above target for their occupation. Lead worker responsibilities shall be determined by the direct supervisor and include, but not be limited to:

1. Leading daily work tasks within their assigned work section.
2. Providing assistance and feedback to staff within their assigned work section.
3. Resolving escalated issues in the absence of management.

Section 6. Promotions. Federation members who are promoted to a new position may receive a pay increase when advancing to a higher-level job. A promoted employee's pay shall fall between the minimum and target for the occupation as indicated in Section 2 pay ranges, considering the employee's job-related qualifications and competencies and comparison to employees in similar jobs who have similar qualifications and competencies that is approved by the Executive Director.

Section 7. Demotions. The Executive Director or designee shall typically set the base pay rate of an employee demoted to a position in a lower pay band to a level that maintains the employee's target pay prior to the demotion. At the director's discretion, the demoted employee's base pay rate may remain the same as it was in the higher pay band. If the maximum base salary of the newly assigned band is lower than the employee's current base salary, the Executive Director may allow the employee's base pay rate to be pay protected up to a period of 180 calendar days. At the end of the 180-day period, the employee's base pay rate will be reduced to the maximum pay rate for the new pay band.

Section 8. Reclassifications. Reclassification of a position does not constitute a new position; therefore, the employee maintains their current market ratio based on years of service.

Section 9. 2025-2027 STATUTORY COMPENSATION

Subsection 1. Across the Board Pay Adjustments. Effective on the first day of the first complete pay period that includes July 1, 2025, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater.

Effective on the first day of the first complete pay period that includes July 1, 2026, the base salary of each employee must be increased by \$1.00 an hour or by 2.5%, whichever is greater.

Further, in accordance with § 2-18-303(4)(a)(i), MCA, these adjustments will not be provided to employees until the State receives written notice that the employee’s collective bargaining unit has ratified the agreement. If that notice is received after the effective date of the pay adjustment, the adjustment will be paid retroactively.

Subsection 2. State of Montana Benefit Plan Contribution. The monthly Employer contribution for group benefits will increase to \$1080 for the 2026 plan year and \$1107 for the 2027 plan year.

The monthly State of Montana employee contributions will increase for 2026 and 2027 plan years. The tables below break out the monthly increase both before and after the wellness incentive which increased to \$60 per month for the 2026 and 2027 plan years.

The cost of employee-only coverage will be covered by the Employer contribution, after the wellness incentive is applied.

Employee Monthly Contributions Before Wellness Incentive		
Contribution Type	2026 Plan Year Contribution	2027 Plan Year Contribution
Employee Only	\$60	\$60
Employee and Spouse	\$318	\$326
Employee and Children	\$134	\$138
Employee and Family	\$397	\$407

Employee Monthly Contributions After Wellness Incentive		
Contribution Type	2026 Plan Year Contributions	2027 Plan Year Contributions
Employee Only	\$0	\$0
Employee and Spouse	\$198	\$206
Employee and Children	\$74	\$78
Employee and Family	\$277	\$287

The monthly Tobacco Surcharge will increase to \$60 for the 2026 and 2027 plan year.

The State has the discretion to manage all aspects of the State Health Plan, to include, but not be limited to, deductibles, coinsurance levels, and maximum out-of-pocket levels. Member contributions will only increase beyond the rates established above if the Risk-Based Capital (RBC) level is at or below 300%.

THIS AGREEMENT is signed and dated this 7/10/2025.

THE STATE OF MONTANA:

Signed by:
Karol Anne Davis
362B5999E2BE4DB...
Karol Anne Davis, Chief Negotiator
State Office Labor Relations

Signed by:
Bill Holahan
096356B342A04C4...
Bill Holahan, Executive Director
MPERA

THE FEDERATION:

Signed by:
Justin Hawkaluk
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Justin Hawkaluk, Field Representative
MFPE

Signed by:
Kris Vladic
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Kris Vladic, Local President
MFPE