

SEBAC 2009

AGREEMENT

-between-

STATE OF CONNECTICUT

-and-

STATE EMPLOYEES BARGAINING AGENT COALITION (SEBAC)

In order to assist in resolving the financial issues currently facing the State of Connecticut while preserving public services, the State of Connecticut and the State Employees Bargaining Agent Coalition agree to the following provisions.

I. RETIREMENT INCENTIVE PROGRAM 2009

There shall be a Retirement Incentive Program (2009 RIP) offered to full-time and part-time State employees, as described herein, in addition to the normal retirement program.

A. Eligibility Rules.

The following members of the State Employees Retirement System (SERS) shall be eligible to participate in the program:

1. All full-time and part-time State employees other than employees eligible for hazardous duty retirement under Section 2 herein:
 - a) Who will be at least fifty-five (55) years of age on or before June 30, 2009; and
 - b) Who are on active status on the payroll on the day prior to retirement; and
 - c) Who have at least ten (10) years of actual state service in SERS, which shall consist of time worked and may not include purchased service credits or credits transferred from another employer; and

- d) Who retire directly from employment and begin immediately receiving normal or early retirement benefits under Tier I, Tier II or Tier IIA; and
 - e) Whose effective date of retirement is June 1, but no later than July 1, 2009, except as provided in B below; and
 - f) Who are not employees of state aided institutions as defined in Conn. Gen. Stat. § 5-175, quasi-public agencies, operators of vending stands covered by Conn. Gen. Stat. § 5-175a, teachers at E. O. Smith School, elected officials or employees of the United States Purchasing and Finance Office; provided, however, that employees of the Connecticut Lottery Corporation who are members of the SEBAC bargaining units or individuals who were classified state employees at the Division of Special Revenue and who are employed by the Connecticut Lottery Corporation shall be eligible for the Retirement Incentive Plan.
2. All full-time employees who are members of SERS, who are eligible for hazardous duty retirement, regardless of age, and:
- a) Who are on active status on the payroll on the day prior to retirement; and
 - b) Who and have a minimum of twenty (20) years of actual hazardous duty state service in the SERS; and
 - c) Who retire directly from employment and begin immediately receiving normal retirement benefits; and
 - d) Whose effective date of retirement is June 1, but no later than July 1, 2009, except as provided in B below.

Members of the Teachers Retirement System (TRS) who are on active status on the payroll on the day prior to retirement; who will be at least fifty-five (55) years of age on or before June 30, 2009; who retire directly from employment and begin immediately receiving retirement benefits under TRS; and whose effective date of retirement is July 1, 2009 if employed as a teacher or administrator by the Connecticut Technical High Schools, and June 1, but no later than July 1, 2009 for all others, shall be eligible for the RIP as provided in D below.

Members of the Alternate Retirement Program (ARP) who are on active status on the payroll on the day prior to retirement; who will be at least fifty-five (55) years of age on or before June 30, 2009; who have at least ten (10) years of actual State service; who retire directly from employment; and whose effective date of

retirement is June 1 but no later than July 1, 2009 shall be eligible to participate in the RIP as provided in D below.

B. Effective Dates of Retirement.

1. All retirements under the program shall be effective June 1, but not later than July 1, 2009 except as provided below. In all cases in which the retirement date is deferred as provided below, the extended service shall be credited.
2. The effective date of any retirement shall be July 1, 2009, for instructional faculty and administrators of the Connecticut Technical High Schools and the State's Unified School Districts. The extended service shall be credited.
3. For Judicial Marshals and Supervising Judicial Marshals who satisfy the requirements of Paragraph A above, the effective date of any retirement shall be June 1, but no later than July 1, 2009; provided, however, that this date shall be extended to August 1 for any Judicial Marshal or Supervising Judicial Marshal who needs the additional time to meet the ten-year service requirement.
4. For state employees on active military duty who meet the eligibility rules for the RIP the effective date of any retirement shall be deferred for not more than ninety (90) days after their discharge from active military service. The extended service may be credited provided the employee purchases such military service credit on or before their deferred retirement date.
5. The effective date of retirement may be deferred on a case by case basis for:
 - a) Employees of the Office of the State Comptroller within the Retirement Services Division who have primary responsibility for retirement benefit calculations and purchasing, and employees of the Office of the State Comptroller within the Health Care Policy and Benefit Services Division who have primary responsibility for administration of employee benefits, to not later than June 1, 2010; and
 - b) Upon the request of the Personnel Policies Subcommittee of the Joint Committee on Legislative Management, employees of said Committee determined to be critical to the legislative process, to not later than September 1, 2009; and

- c) With the approval of the Secretary of the Office of Policy and Management, employees of said office determined to be critical to the legislative or budgetary process, to not later than September 1, 2009.

A. Incentive.

SERS members: Eligible employees who retire in accordance with the terms of the RIP shall have up to three (3) years of service added to their service for purposes of benefit calculation under SERS. Additional years of service granted to eligible participants pursuant to the 2009 RIP shall not be deemed service for any other purpose.

TRS members: Eligible employees who retire in accordance with the terms of the RIP, and who meet the TRS requirement for normal, early or proratable retirement, shall have up to three (3) years added to their service for purposes of benefit calculation, up to the maximum benefit allowable under the TRS plan. Additional years of service granted to eligible participants pursuant to the 2009 RIP shall not be deemed service for any other purpose.

ARP members: Eligible members of the Alternate Retirement Program who are eligible for and retire in accordance with the RIP shall be paid the sum of six thousand dollars (\$6,000) (prorated for part-time employees compared to the full-time assignment for the position) in three equal annual installments of two thousand dollars (\$2,000) each – one in July, 2012; one in July, 2013; and one in July, 2014.

D. Restrictions.

1. For purposes of this program, a full-time employee is one who works thirty-five (35) or more hours per week in a full-time position. An eligible part-time employee is one who works more than one-half time determined by their collective bargaining agreement or, where undefined, a minimum of seventeen and one-half hours per week for more than five (5) months per year.
2. Actual paid wages, not projected wages, shall be used in all benefit calculations. Furlough days or the equivalent shall be treated as voluntary schedule reductions pursuant to Conn. Gen. Stat. § 5-248c and wage credit for such days shall be in accordance with current practice. Accrued vacation days at the date of retirement shall be credited in accordance with current practice.
3. Disability retirement and employees eligible for terminated vested retirement benefits are excluded from this program.

E. Payments for Accrued/Unused Sick and Vacation Days.

1. An eligible employee participating in the 2009 RIP shall be eligible for payment of accrued and unused vacation and/or sick leave in accordance with existing rules modified as follows: One-third of the amount owed an employee shall be paid in July of 2012, one-third in July of 2013 and one-third in July 2014.
2. The State may, at its option, make the payment in one installment on or before July 1, 2012 if the amount of the payment is less than two thousand dollars (\$2,000).
3. A higher education unit may, at its option and from its own funds, on a case-by-case basis, make the payment in one installment at any time.

II. MODIFICATIONS TO SEBAC V (As Previously Modified by SEBAC 5-A)

A. Prescription Co-pays.

1. The Parties agree to implement a Three Tier Prescription Drug Formulary effective July 1, 2009 for active employees covered by the Plan. This Formulary shall be applicable to employees who retire on or after July 1, 2009 except such employees who retire under the 2009 Retirement Incentive Program as described in this Agreement. Current retirees shall continue to be covered by the existing prescription drug benefit plan.
2. The Healthcare Cost Containment Committee shall have overall responsibility for the participation of the parties in the implementation of the plan.
3. The employee co-payments for the 3 Tier Formulary shall be \$5 for a generic drug; \$10 for a preferred brand name drug; and \$25 for a non-preferred brand name drug. A non-preferred brand name drug will be available with a \$10 co-pay based upon medical necessity as certified by the member's physician in accordance with the Pharmacy Benefit Manager's (PBM) process.
4. The prescription benefit plans will have mandatory generic substitution except that a physician may authorize an override based upon medical necessity certified by the physician in accordance with the PBM's process.
5. There shall be a transition period commencing July 1, 2009 during which employees shall receive communication materials explaining the new Formulary program. The transition period shall be ninety days measured from July 1, 2009 during which time patients who were taking non-preferred brand

name drugs for an ongoing medical condition beginning before July 1, 2009 shall pay the \$10 preferred brand name drug co-pay.

B. Active Employee Health Care Premium Cost Sharing.

1. Effective 7/1/09 employee premium shares set forth in SEBAC 5A, shall be increased by \$350 per year for all forms of coverage and vendors.
2. Effective 7/1/10, the percentage shares produced by the 7/1/09 change shall be applied to the total premium to determine the employee's 7/1/10 premium shares.
3. The parties recognize that the above two adjustments will produce employees premium percentages that vary slightly by vendor, which is an unavoidable result during the current vendor contract period, but which the parties agree to remedy. Therefore, effective 7/1/11, the premium percentages shall be recalculated using weighted averages to produce the percentages that will apply for plan year 2011-2012 and all future years for all vendors under the agreement.

C. Preferred Plan.

1. The Preferred plan shall be closed to new admissions, with the following exceptions only:
 - a. Any retiree under the 2009 Retirement Incentive Program may select the Preferred plan upon retirement. A retiree who does not select the Preferred plan at that time may not select the Preferred Plan at any time in the future.
 - b. Thereafter, any employee who was enrolled in the Preferred plan immediately prior to retirement may elect to remain in the Preferred plan upon retirement. If the retiree subsequently selects another plan, the retiree may not in the future return to the Preferred plan.
2. The closing of the Preferred plan shall have no impact on Out of Area coverage.

D. Co-pays for Preventive Care.

1. Well child care visits shall continue to be \$0 co-pay
2. Effective 7/1/09, the following preventive care visits shall have their co-pays decreased to \$5 per visit:
 - a. Adult physical examinations pursuant to the carrier/plan schedule
 - b. Routine gynecological examinations, including examination and pap smear, pursuant to the carrier/plan schedule

E. Retiree Health Care.

1. The following shall replace the provision entitled "Retiree Insurance for Employees hired after July 1, 1997" in SEBAC V.

Retiree insurance for employees who have less than (10) years of actual state service as of July 1, 2009. An employee who has less than ten (10) years of actual state service as of July 1, 2009, shall not be entitled to health insurance as a retired state employee unless and until the combination of their age and actual state service equals seventy-five (75) or more. Provided, however, any employee who retires on or after July 1, 2009, who directly transitions from employment to retirement and begins receiving a Normal or Early Retirement Benefit shall be entitled to health insurance as a retired state employee if they have ten (10) or more years of actual state service. Further provided, any current employee who is age fifty-two (52) or older as of July 1, 2009 who directly transitions from employment to retirement and begins receiving a Normal or Early Retirement Benefit shall be entitled to health insurance as a retired state employee in accordance with existing practice.

An employee who is eligible for and begins receiving a work-related Disability Retirement Benefit shall be entitled to health insurance as a retired state employee regardless of his/her number of actual state service. Nothing herein restricts the ability of an employee to begin receiving his/her retirement or deferred vested pension at an earlier time in accordance with plan provisions. An employee who terminates state service and does not immediately begin to receive his/her pension shall be entitled to the same health insurance benefits as active employees receive at the time he/

she begins to receive pension payments. Provided, however, laid off employees and employees who leave state service because there is not a fair assurance of continued employment shall be entitled to retiree health insurance at such time they are entitled to and begin receiving an Early or Normal Retirement Benefit under the plan. Nothing herein shall change the method of calculation of service for part time faculty of the constituent units of higher education.

2. Employee contributions to fund retiree health care:
 - a. Effective 7/1/2009, all new health care eligible employees shall, during their first ten (10) years of employment, contribute three percent (3%) of their salaries to a fund established for the provision of health care coverage to retired state employees.
 - b. Effective 7/1/2010, any health care eligible employee with fewer than five (5) years of service shall also make such contributions until he or she has reached 10 years of employment.
 - c. The following applies to the above requirement for contributions:
 - i. Adjunct faculty in higher education who are intermittently eligible for active employee health care shall not be required to make the above contributions; provided, however, that if any such employee ever qualifies for retiree health care, he or she will be required to pay back such contributions for the full ten (10) qualifying years.
 - ii. An employee who waives active employee health care is not relieved of the requirement to make the contributions to fund retiree health care. The requirement to make these contributions applies unless the employee provides a waiver of the right to retiree health care, in such form as the State requires, and, in connection with said waiver, provides documentation of direct coverage for retiree health coverage by some other source. The waiver may not be revoked unless the coverage which was the premise for the waiver becomes unavailable other than by the choice of the employee; provided, however, that the employee will be required to pay such contributions for the full ten (10) qualifying years.

- d. Contributions prior to July 1, 2013 shall be available as to reduce budgeted General Fund payments for retiree health care.
- e. Contributions are refundable to employees who leave state employment prior to completing 10 years of service. If any such employee is reemployed, the employee shall be required to make contributions for ten (10) years starting with the date of reemployment. If requested, contributions shall be refunded on or after the employee's separation, except that the state may withhold refunds until July 2012 and in such case shall pay three percent (3%) per annum interest between the date of separation and the July 2012 payment.
- f. The parties agree to establish an appropriate trust fund to allow for pre-tax contributions towards retiree healthcare in order to carry out the intent of this agreement.

F. Self Insurance.

- 1. The State may in its sole discretion provide health care benefits on an insured or self-insured basis, or any appropriate combination of funding bases. Such decision shall not be appealed or arbitrated in any forum by SEBAC, any constituent union or state employee.
- 2. In the event that the State decides to self-insure, costs for the purpose of employee premium cost sharing shall be the putative rates approved by the Health Care Cost Containment Committee as the best reasonable predictors of actual rate experience each fiscal year, and shall not be adjusted up or down on the basis of actual claims experience for that year.

G. Deferral of State's Contributions to SERS and OPEB.

- 1. The State's contribution of \$14.5 million, budgeted in 2008-09 for payment toward the State's OPEB liability, shall be deferred to the first fiscal year following approval of this Agreement in which there is a budget surplus projected on January 1.

2. The State shall contribute to the State Employees Retirement System \$50 million less in FY 2009, and \$64.5 million less in FY 10, than the amount previously certified by the Plan's actuary and provided to the General Assembly for the 2008-09, and 2009-10 years, respectively. These amounts shall be added to the unfunded past service liability and funded in accordance with the Plan's funding method.

III. SCHEDULE REDUCTIONS AND SCOPE FIVE-YEAR AUDIT DATES

- A. The implementation date for results of the second round of five-year audits and the Master Evaluation Committee process (or the non-DAS equivalent of the MEC process) shall be deferred to July 1, 2011. There shall be no retroactivity prior to July 1, 2011.
- B. Voluntary leaves and schedule reductions pursuant to Conn. Gen. Stat. § 5-248c shall be granted more liberally between now and June 30, 2009. For example, the Governor will direct DAS to suspend the requirement that such voluntary leaves/schedule reductions may not be taken in full day increments and will encourage agencies to approve requests for such leaves/schedule reductions which can occur without undue disruption to services or costs that reduce savings. The approval or denial of a request for a voluntary leave or schedule reduction remains in the discretion of the agency and shall not be subject to any grievance or arbitration procedure of any collective bargaining agreement.

IV. JOB SECURITY

- A. Job Security for OLR-Covered Units.
 1. The following job security provisions shall apply to all OLR Covered units which agree or have agreed to contracts or modified contracts in accordance with the April 6, 2009 Recommended Agreement on Financial Issues – And Framework for Job Security including the provisions for wages and furlough days which are summarized in Attachment A.
 2. From the date of this Agreement and through June 30, 2011, there shall be no loss of employment for any bargaining unit employee hired prior to July 1,

2009, including loss of employment due to programmatic changes, subject to the following conditions:

a. Protection from loss of employment is for permanent employees and does not apply to:

- i. employees in the initial working test period;
- ii. those who leave at the natural expiration of a fixed appointment term, including expiration of any employment with an end date;
- iii. expiration of a temporary, durational or special appointment;
- iv. non-renewal of a non-tenured employee (except in units where non-tenured have permanent status prior to achieving tenure);
- v. termination of grant or other outside funding specified for a particular position;
- vi. part-time employees who are not eligible for health insurance benefits.

3. This protection from loss of employment does not prevent the State from restructuring and/or eliminating positions provided those affected bump or transfer to another comparable job in accordance with the terms of the attached implementation agreement. An employee who is laid off under the rules of the implementation provisions below because of the refusal of an offered position will not be considered a layoff for purposes of this Agreement.
4. The State is not precluded from noticing layoff in order to accomplish any of the above, or for layoffs outside the July 1, 2009-June 30, 2011 biennium.
5. The Office of Policy and Management and the Office of Labor Relations commit to continuing the effectiveness of the Placement & Training Process during and beyond the biennium to facilitate the carrying out of its purposes.
6. The State shall provide \$ 2.5 Million in FY '09, and \$5.5 Million and FY '10, State to the Placement and Training Committee in order to provide additional resources for carrying out the State's commitments under this agreement and to facilitate the Placement and Training processes.

B. Implementation Provisions for SEBAC 2009 Job Security for OLR Covered Units.

The process outlined in this section is a supplement to the October 18, 2005 Placement and Training Agreement and is designed to govern the procedure utilized in situations where there are employees covered by the Placement and

Training Agreement who are impacted by a decision to close a state facility or make other programmatic changes which would have resulted in the layoff of state employees but for the Job Security Provisions of SEBAC 2009, and transfers necessary to deal with workload issues necessitating the transfer of state employees to different work units, locations or facilities. The provisions hereunder shall expire as of June 30, 2011, except as provided in 3-c below, unless extended by mutual agreement of the parties. The State will continue to provide the longest possible advance notice as provided in Section 7d of the Placement and Training Agreement to the unions and employees impacted by such decisions. The process described below shall be known as the Job Security Implementation (“JSI”) Process.

1. There shall be a three-phase process as follows:
 - a. Phase I. The State shall use its best efforts to attempt to combine the placement and transfers of individuals in the event of multiple closings and programmatic changes occurring within a the same period of time to maximize the likelihood of success.
 - i. Initially affected employees would enter the Placement and Training (P&T) process.
 - ii. May use normal P&T rights.
 - iii. In addition, the Secretary of OPM shall use best efforts to make comparable jobs available within acceptable geographic radius (defined below). Such jobs will typically be in the affected employees’ bargaining unit.
 - iv. Comparable jobs within the same bargaining unit shall be initially offered to affected employees on the basis of layoff seniority as defined in their collective bargaining agreement and, if necessary, state service.
 - v. Any affected employee not accepting a comparable job then goes to Phase II.
 - b. Phase II. The collective bargaining agreement (CBA) process begins. Initially affected employees and/or secondarily affected employees may then exercise their rights under the CBA. The CBA process ends when either (1) the affected employee(s) has a comparable job; or (2) the affected employee(s) chooses to waive further contractual displacement rights and enter phase III.

- c. Phase III. Finally any remaining affected employee(s) would enter the P&T process.
 - i. May use normal P&T rights.
 - ii. In addition, Sec. of OPM uses best efforts to make comparable jobs available within acceptable geographic radius (defined below). Such job will typically be in the affected employees' bargaining unit.
 - iii. Comparable jobs within the same bargaining unit shall be initially offered to affected employees on the basis of layoff seniority as defined in their collective bargaining agreement and, if necessary, state service.
 - iv. If no comparable job available within the acceptable geographic radius, the finally affected employees will be offered other jobs within the acceptable geographic radius on a temporary basis until comparable job available, and are red-circled in original pay-grade.
 - v. Employee may be offered training through the P&T Committee as a way of moving employee to a position comparable to the one lost.
 - vi. No employee shall have a right to a promotion under this process.
 - vii. Affected employee refusing an assignment within the acceptable geographic radius during phase 3 of the process may be laid off, but will have all usual rights of laid off employees.

2. Relevant definitions which apply to this process only and shall not be utilized for any other purpose:

- a. "Comparable job" means one with similar duties and the same or substantially similar biweekly salary range. The requirement to offer a comparable job shall not be met if the target job requires a hazardous duty retirement covered employee to move to non-hazardous duty retirement employment, or vice versa.
- b. "Acceptable geographic radius" for Phase I means a one way commute equal to the greater of his/her present commute or thirty (30) miles from his/her work location at the time of notice. During Phase III, acceptable geographic radius means a one-way commute equal to the greater of his/her present commute or thirty (30) miles from his/her home.

3. Priority, Working Test Period Issues, and Related Issues

- a. Employees needing positions through the process outlined in this Section B (as compared to the normal P&T process) have priority over other claimants to position based on the SEBAC 2009 job security provisions. Provided, however, seniority under the CBA may be utilized for the purpose of shift selection in the target facility.
- b. Where a job is offered to comply with the rules of this Section which would require the completion of a working test period, failure of the employee to successfully complete that working test period will return the employee to the process outlined in this Section B, unless the reasons for the failure would constitute just cause for dismissal from state service.
- c. The process outlined in this Section B terminates as of June 30, 2011, or when there is no employee remaining with rights to the process, whichever is later.

4. Dispute Resolution

- a. "Work now, grieve later" applies as usual to JSI related grievances.
- b. Placement & Training Committee to convene for emergency advisory procedure if employee claims he or she is being inappropriately laid off in violation of the JSI procedure.
- c. Any arbitration necessary to resolve a claim that an employee is being denied a suitable comparable assignment under this agreement shall receive priority processing for purposes of assignment of an arbitrator, a hearing date, and resolution of the arbitration. Any dispute or arbitration under this agreement shall be under the SEBAC agreement process.

5. Transfer Implications

- a. Where staffing disproportions are caused by the RIP or for other reasons agreeable between the affected bargaining unit and the State, the process outlined in this Section B will be used to eliminate the necessity of a transfer (directly or through layoff notice). If there is more than one employee in the impacted classification, the State shall ask the employees

in layoff seniority order and, in the event there are no volunteers, the junior employee shall be transferred.

- b. In cases where involuntary transfers occur, affected employees shall have the right of first refusal to return to their prior geographic locations prior to an equivalent position being offered at the prior geographic location to a less senior person.

C. Job Security for Units Not Covered by OLR.

1. Job security for other units has been or shall be negotiated on a unit-by-unit basis consistent with the April 6, 2009 Recommended Agreement on Financial Issues – And Framework for Job Security, including the provisions for wages and furlough days which are summarized in Attachment A.

V. TRIGGERS FOR FURTHER ACTION

A. The State and SEBAC agree as follows:

1. For the purposes of this provision, following adoption of the budget, the Comptroller's revenue projections shall be used in deciding whether one of the following may occur.
2. If the projected revenue from all sources to the General Fund and Special Transportation Fund is \$300 million or more below that in the final adopted budget, and the Governor exercises any rescission authority, the following will occur:
 - a. Emergency convening of SEBAC and representatives of the administration to consider potential savings in addition to those listed below.
 - b. Joint measures taken to encourage voluntary schedule reductions.
 - c. The State's contribution to the state employees retirement plan may be reduced by up to \$100 million annually.
3. If the projected revenue from all sources to the General Fund and Special Transportation Fund is \$350 million or more below that in the final adopted budget, and the Governor exercises any rescission authority, in addition to the measures in 2 above, the effective date of SCOPE shall be delayed to FY2012.

B. The State and SEBAC further agree that if the number of full-time employees who retire under the 2009 RIP is below 3000, the State may reduce its contributions to unfunded liability (pension or OPEB) up to \$100 million annually, at the following points, in the amounts stated:

2,750	up to \$8.25 million
2,500	up to \$16.50 million
2,250	up to \$24.75 million
2,000	up to \$33.00 million
1,750	up to \$41.25 million
1,500	up to \$49.50 million
1,000	up to \$57.75 million
500	up to \$66.00 million
250	up to \$74.25 million
0	up to \$92.50 million

Any deferral of unfunded liability taken under this provision shall be subtracted from the \$100 million annual amount provided in A-2 above for the fiscal year in which it is applied.

**VI. TENTATIVE AGREEMENT, SUBJECT TO RATIFICATION AND
APPROVAL BY THE GENERAL ASSEMBLY**

By their signatures below, the parties indicate that this tentative agreement has been approved by the governor, and recommended by SEBAC Leadership for ratification by the membership. SEBAC's final approval is subject to a post-membership vote by SEBAC Leadership in accordance with SEBAC rules. This agreement is further subject to the approval of the General Assembly in accordance with the provisions of Connecticut General Statutes §5-278(b).

Daniel E. Livingston, Chief Negotiator
SEBAC

Saranne P. Murray, Chief Negotiator
State of Connecticut

Dated this ____ day of April, 2009.

ATTACHMENT A

PROVISIONS OF THE APRIL 6, 2009 RECOMMENDED AGREEMENT ON FINANCIAL ISSUES – AND FRAMEWORK FOR JOB SECURITY CONCERNING WAGES AND FURLOUGH DAYS

The State and SEBAC recognize that wages and furlough days are negotiated on a bargaining unit basis by the union designated as the exclusive bargaining representative for that unit. However, the State and SEBAC have agreed that the following parameters shall apply to all units seeking the job security protections of the SEBAC agreement.

- A. The following parameters shall apply to wage agreements through June 30, 2012 (or June 30 2013 for two units whose previously settled or arbitrated agreements result in an end date of June 30, 2013).
 1. Units whose contracts are not settled for 2008-2009 will receive a 3% general wage increase (GWI) on time, as well as annual increments (AI) or previously negotiated top step bonuses (TSB) on time. There shall be no change in contracts previously settled or arbitrated for 2008-2009, with the exception of the negotiated revision of the arbitration award for the NP-2 bargaining unit.
 2. For the contract year 2009-2010:
 - a. Higher education units, with the exception of the community college units, and unsettled contracts shall take a hard freeze (no GWI, no AI or equivalent and no TSB). The community college units may negotiate an alternative but may not change the overall financial parameters set forth herein.
 - b. Bargaining units with settled contracts may take a hard freeze (no GWI, no AI or equivalent and no TSB) or a soft freeze (no GWI in this year, and no AI or equivalent and no TSB in 2010-2011).
 3. For the contract year 2010-2011:

- a. For units with a hard freeze in the prior year (2009-2010):
 - i. Those that had settled contracts with wage increases in 2009-2010 will slide the 2009-2010 increases to 2010-2011.
 - ii. The pattern for those that did not have settled contracts with wage increases for 2009-2010 will be a 2.5 percent GWI on time, AI or equivalent delayed three months, and status quo TSB delayed three months.
 - b. For units with a soft freeze in the prior year (2009-2010), the GWI not received in that year will be effective for the 2010-2011 contract year.
4. For the contract year 2011-2012:
- a. Those that had settled contracts with wage increases in 2010-2011 will slide the 2010-2011 increases to 2011-2012.
 - b. The pattern for those that did not have settled contracts with wage increases for 2010-2011 will be a 2.5 percent GWI on time, AI or equivalent delayed three months, and status quo TSB delayed three months.
5. For the contract year 2012-2013:
- a. Those that have settled or arbitrated contracts with wage increases in 2011-2012 will slide the 2011-2012 increases to 2012-2013.
 - b. This provision shall apply only to the two units whose contracts had end dates in 2012.
6. The State and SEBAC agree in principal that all unit contracts will be closed out through the end of fiscal year 2012, with the exception of the units referenced in 5-b above.
7. It is understood that language issues negotiated under the parameters of this Agreement will no involve any more than *de minimus* cost.

B. Unit agreements shall contain provisions for all employees to take seven furlough days or the equivalent, subject to the following:

1. One furlough day must be taken prior to June 1, 2009. Three furlough days shall be taken in each of the next two fiscal years – FY2010 and FY2011.
2. Where possible, offices will be closed on the following dates, and employees in such offices will take a furlough day on such dates:

May 22, 2009
July 6, 2009
November 27, 2009
December 24, 2009
July 2, 2010
November 26, 2010
December 27, 2010

3. Specific arrangements as to furloughs and what constitutes the equivalency of a furlough shall be worked out in individual unit agreements.
4. Furlough days shall be treated in the same manner as voluntary schedule reductions under Conn. Gen. Stat. § 5-248c.