

## MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“Agreement”) is made on the later of the dated written below, by and between the Board of Higher Education acting by the Council of Presidents of the State Universities (jointly, "the Board") and the American Federation of State and County and Municipal Employees, Local 1067/Council 93, AFL-CIO ("the Union" or “AFSCME”) (jointly “the Parties”).

WHEREAS, the Board and the Union are parties to a collective bargaining agreement effective July 1, 2020;

WHEREAS, many current unit members could retire at, or near, the maximum retirement pension benefit; however, the financial differential as well as the desire for a continued relationship and association with the University encourage the members to continue full-time employment;

WHEREAS, the cost savings that can be created through the benefit of this voluntary separation to those members nearest retirement age, who earn relatively high salaries, would be beneficial to universities facing financial difficulties; and

WHEREAS, the Board and the Union wish to provide an incentive to encourage the voluntary separation of certain full-time unit members.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual covenants set forth below, the Board and the Union agree upon a 2021 Voluntary Retirement/Separation Program (“Program”) as follows:

1. The individual state university, by its president, may elect to participate in the Program and to offer a voluntary retirement/separation incentive to AFSCME unit members in accordance with this Agreement. The President of a university shall inform the AFSCME state-wide president as well as AFSCME unit members employed at its university no later than fourteen (14) days from the execution of this Agreement if the university intends to participate in the Program. If a university participates in the Program, it shall allow AFSCME unit members until March 1, 2021 to announce their intention to participate in the Program. The university must be informed by March 1, 2021 of anticipated resignation for the purposes of retirement/separation at a date no later than June 30, 2021. The unit member may revoke their intention to retire prior to 5:00 p.m., ET, April 1, 2021, after which time their decision shall become irrevocable.
2. Benefits to participants:
  - a. Participants with twenty (20) years or more of state university service, who give notice of their intention to participate by March 1, 2021, shall receive a lump sum payment of twenty-five thousand dollars (\$25,000) to be paid in the pay period following the unit member’s date of resignation or

retirement from the university. This incentive payment is taxable income subject to withholdings, and not earnings for the purposes of determining retirement allowances.

- b. Participating unit members shall not seek future full-time or salaried part-time employment at any of the nine state universities within the system.
3. Participating unit members choosing to retire must comply with Massachusetts retirement regulations: <https://www.mass.gov/guides/working-receiving-a-public-retirement-benefit#-what-are-the-limits-for-working-in-the-public-sector?>; which currently includes restrictions in the first full calendar year that retirees can only earn up to the difference of the salary they retired at and their pension – in subsequent years, retirees can earn \$15,000/year more than this differential. Participating unit members are solely responsible for ensuring their compliance with state law.
4. Eligibility.
  - i. An AFSCME unit member who first informed the university or the Commonwealth of their intention to separate for purposes of resignation or retirement on or before execution of this Agreement, shall not be eligible to participate.
  - ii. The unit member must:
    - a. Be a full-time unit member employed or on an approved leave of absence;
    - b. Have twenty (20) or more years of creditable state university service as of the unit member's date of voluntary resignation from their full-time position;
    - c. Resign or retire from state university service on or before June 30, 2021;
    - d. Execute a release in favor of the University in the form attached as Exhibit A; and
    - e. Announce their intention to participate in the Program by March 1, 2021.
5. The university president may elect to limit the total funding available for the Program. The university president shall notify the chapter president on or before February 22, 2021, of the minimum funding the university plans to allocate for AFSCME unit participation<sup>1</sup>, assuming unit members who intend to participate meet the eligibility requirements of the Program.<sup>2</sup> In the event more unit members seek to participate in the Program than the university intends to accept, the university shall accept participants on the basis of the greatest seniority within the unit. Seniority within the unit is defined in

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<sup>1</sup> The minimum allocation of funding for AFSCME unit participation may vary by university. The university retains the sole discretion to increase funding allocated for AFSCME unit participation.

<sup>2</sup> The university shall only be required to spend the minimum amount allocated for AFSCME unit participation when unit members meet the eligibility requirements for participation.

the collective bargaining agreement as the length of full time equivalent continuous

service as a full-time employee, regardless of source of funds, since the last date of full-time hire by the university.

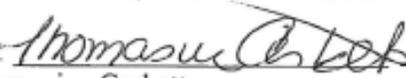
6. If a unit member who participates in the Program becomes re-employed by the Commonwealth on a full-time basis within one (1) year of the effective date of their voluntary retirement or separation, the employee shall return the incentive payment to the university. Retired unit members who receive an incentive payment, however, may accept part-time employment with the Commonwealth, subject to limitations upon annual hours worked provided by state law.
7. The monetary incentive contained in Paragraph 2(a) of this Agreement constitutes taxable income to the recipient; the Commonwealth will make usual withholdings from the incentive payment. The Commonwealth will not regard the payment as earnings for purposes of determining the employee's retirement allowance, if applicable.
8. Should the Commonwealth of Massachusetts enact a Retirement Incentive Plan, which allows for either an increase in the employee's pension or provides a cash incentive to retire, unit members shall not be eligible to participate in both the Program described in this Agreement and the Commonwealth's plan.
9. While the terms of this Agreement shall be enforceable through the grievance procedure provided for in Article 29 of the parties' labor agreement, a university's exercise of its discretion in accordance with Paragraphs 1 and 5 of this Agreement shall not provide cause for the filing of a grievance.

WHEREFORE, the parties hereto set their signs and seals on the date first above written.

BOARD OF HIGHER EDUCATION

AMERICAN FEDERATION OF STATE AND COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 1067/COUNCIL 93

By:   
 Thomas Simard  
 Deputy Commissioner for  
 Administration and Finance

By:   
 Thomasine Corbett  
 President, American Federation  
 of State and County and Municipal  
 Employees, Local 1067/Council 93, AFL-  
 CIO

Date: 2/11/21

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By:   
 Kimberly Silva  
 Coordinator Higher Education  
 AFSCME Council 93  
 Date: 2/11/21