



**Minnesota**  
STATE COLLEGES  
& UNIVERSITIES

HUMAN RESOURCES DIVISION

30 7<sup>TH</sup> ST. E., SUITE 350  
ST. PAUL, MN 55101-7804

Twin Cities: 651-201-1800  
Toll free: 1-888-667-2848  
[www.mnscu.edu](http://www.mnscu.edu)

**VIA E-MAIL**

July 25, 2014

Commissioner Jim Schowalter  
Minnesota Management & Budget  
400 Centennial Building  
658 Cedar Street  
St. Paul, MN 55155

Dear Commissioner Schowalter:

My colleague Jeff Wade, System Director for Labor Relations, served as MnSCU's Chief Negotiator in collective bargaining for the 2013-2015 Master Agreement with the Minnesota State College Faculty (MSCF). The MnSCU and MSCF bargaining teams reached a tentative contract settlement for the 2013-2015 Agreement on Wednesday, June 4, 2014, and this settlement was approved by MnSCU's Board of Trustees on July 23, 2014.

I am writing to provide you with information summarizing the tentative agreement between the parties, including information needed for MMB to comply with the posting requirements of Minn. Stat. 43A.18, Subd. 9. A brief description of the proposed wage terms and significant changes in policy is located below. A document providing the essential terms of the financial impact of the settlement is attached. I am also including as an attachment a legislative-marked draft of the Master Agreement that reflects the agreed-upon changes.

**Economics:**

**FY 2014**

- July 1, 2013 – 3% salary schedule increase.
- Insurance benefits as negotiated by MMB with the state's classified bargaining units.

**FY 2015**

- July 1, 2014 – Faculty who have not reached the top step on the salary schedule will advance one (1) step on the salary schedule.
- January 1, 2015 - 3% salary schedule increase.
- Insurance benefits as negotiated by MMB with the state's classified bargaining units.

**Initial biennial base: \$792,314,713**

**New money in current biennium (without turnover savings): \$40,346,858**

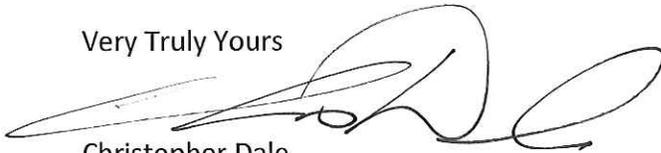
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**Language:**

- Language was added to clarify the office hour responsibilities of online faculty.
- Language was added to clarify how sick leave, bereavement leave and personal leave are used when colleges are closed by a president.
- Language was added to codify the parties practice related to eligibility for health insurance when a faculty member takes advantage of the Early Retirement Incentive.
- Language was added to codify the parties practice related to the transferability of Early Retirement Incentives.
- Language was added that change the method for determining the number of credits a faculty member receives when given an Internship Supervision assignment.
- Article 13 Wages was restructured for clarity.

Please feel free to contact Jeff Wade ((651) 201-1854) or me with any questions about the settlement.

Very Truly Yours

A handwritten signature in black ink, appearing to read 'Christopher Dale', with a large, stylized flourish extending to the right.

Christopher Dale  
Sr. System Director for Labor Relations  
651-201-1834

## SUMMARY OF FINANCIAL COST

I. Bargaining Unit Composition:

Minnesota State College Instructional Faculty

Approximate No. of Employees:

Unit	4,813 FTE	5,238 Headcount
Non-unit adjuncts	162.3 FTE	1096 Headcount

II. Unit Name:

Minnesota State College Faculty (MSCF)

WITH TURNOVER INCLUDED (Net)

III. Fiscal Summary: All Agency, All Funds

Cost Item	Biennial Base	Biennial New Money
Salaries	601,529,865	22,371,005
FICA	45,216,155	1,681,597
Retirement	48,876,593	2,284,219
Insurance	94,261,519	4,274,977
Professional Development	<u>2,430,582</u>	<u>0</u>
Total:	792,314,713	30,611,798

The estimated cost in new dollars in this biennium is 3.86%

The estimated annualized increase in the base over the term of the agreement is 6.85%