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APR 19 2013

I.B.T. LOCAL 117

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE STATE OF WASHINGTON
AND
TEAMSTERS LOCAL UNION NO. 117

Section 1. 2013-2015 Bargaining Regarding Changes to a Mandatory Subject

In accordance with RCW 41.80.090, the parties have agreed to the following impasse procedure for negotiations over a change in a mandatory subject of bargaining during the term of the 2013-2015 collective bargaining agreement:

- a) During the term of the 2013-2015 collective bargaining agreement, the Department of Corrections will provide notice to the Teamsters in accordance with Article 5, Union/Management Relations and satisfy its collective bargaining obligation under law before changing a matter that is a mandatory subject of bargaining. In the event that the Union requests negotiations and the parties cannot reach agreement, the parties agree to submit the outstanding issue(s) to an arbitrator for resolution.
- b) An arbitration under this section must comply with the provisions of Section 2(b), (d), (e), and (h).
- c) Financial costs of arbitration awards:
 - a. If OFM determines that an individual arbitration award under this section will cost more than \$250,000 during the 2013-15 biennium, the award will not be implemented unless or until the OFM Director determines that the award is financially feasible for the Department of Corrections.
 - b. If the OFM Director determines an individual arbitration award under this section is not financially feasible for the Department of Corrections, then the parties will either:
 - i. Enter negotiations for a mutually agreeable modification of the award, or
 - ii. The Union can request that the arbitration award be submitted to the Legislature in the Governor's budget for funding to implement the award. The award will not be implemented unless or until the Legislature funds the arbitration award.

Section 2. 2015-2017 Bargaining

In accordance with RCW 41.80.090, the parties have agreed to the following impasse procedure for the negotiations of the 2015-2017 collective bargaining agreement:

- a) By September 16, 2013, the parties will attempt to agree on an interest arbitrator to be used if the parties are not successful in negotiating a comprehensive collective bargaining agreement for the 2015-2017 biennium. The parties will select an arbitrator by mutual agreement or by alternatively striking names from a list of five qualified arbitrators provided by the Federal Mediation and Conciliation Service.
- b) The fees and expenses of the arbitrator, the court reporter (if any) and the cost of the hearing room (if any), will be shared equally between the parties. Each party is responsible for the costs of its attorneys, representatives and witnesses, and all other costs related to the development and presentation of their case.
- c) Immediately upon selecting an interest arbitrator, the parties shall cooperate to reserve dates with the arbitrator for a potential hearing between August 1, 2014 and September 15, 2014. The parties shall also prepare a schedule of at least five negotiation dates for the following year, absent an agreement to the contrary. The parties shall execute a written agreement before November 1, 2013, setting forth the name of the arbitrator and the dates reserved for bargaining and arbitration.
- d) The arbitrator may consider only matters that are subject to bargaining under RCW 41.80.020(1), and may not consider those subjects under RCW 41.80.020(2) & (3) and RCW 41.80.040.
- e) In making its determination, the arbitrator shall take into consideration the following factors:
 - i. The financial ability of the Department of Corrections to pay for the compensation and benefit provisions of a collective bargaining agreement,
 - ii. The constitutional and statutory authority of the employer;
 - iii. Stipulations of the parties;
 - iv. Comparison of the hours and conditions of employment of personnel involved in the proceedings with the hours and conditions of employment of like personnel of like state government employers of similar size in the western United States;
 - v. The ability of the Department of Corrections to retain employees;
 - vi. The overall compensation presently received by Department of Corrections employees, including direct wage compensation, vacations, holidays and other paid excused time, pensions, insurance benefit, and all other direct or indirect monetary benefits received;
 - vii. Changes in any of the factors listed in this subsection during the pendency of the proceedings; and
 - viii. Such other factors which are normally or traditionally taken into consideration in the determination of matters that are subject to bargaining under RCW 41.80.020(1).

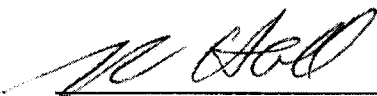
- f) The decision of an arbitrator under this section is subject to the October 1st deadline and financial feasibility provisions of RCW 41.80.010(3).
- g) The decision of an arbitrator is not binding on the Legislature and, if the Legislature does not approve the funds necessary to implement provisions pertaining to the compensation and fringe benefit provision of an interest arbitration award, the provisions are not binding on the State or the Department of Corrections.
- h) Procedures for interest arbitration:
 - i. To the extent applicable, the parties intend that WAC Chapter 391-55 controls the procedures for interest arbitration under this MOU.

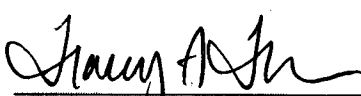
Section 3.

If a conflict exists between this MOU and WAC Chapter 391-55, this MOU shall prevail. A provision of this MOU that conflicts with the terms of a statute is invalid and unenforceable.

Section 4. Duration

- a.) All provisions of Section 1 of this MOU will become effective July 1, 2013, and will remain in full force and effect through June 30, 2015.
- b.) All provisions of Section 2 of this MOU will become effective July 1, 2013, and will remain in full force and effect through November 30, 2014.

 4/19/13
 Rick Hall, Assistant Director Date
 Labor Relations Division
 Office of Financial Management

 4/19/13
 Tracey Thompson Date
 Secretary-Treasurer
 Teamsters Local Union No. 117