

#### Update (8-2-2024):

After 31 negotiation sessions spanning 21 months, the USM and AFSCME teams were able to reach agreement on an inaugural Memorandum of Understanding applicable to approximately 5,700 employees in 15 individually certified bargaining units across nine USM institutions. The MOU was approved by the USM Board of Regents at a special board meeting following approval by the bargaining unit employees. Ratification of the agreement was publicly announced on Friday, August 2, 2024, during a signing ceremony.

The joint press release with additional detail can be [accessed here](#).

#### Update (4-25-2024):

Over the past week, the USM and AFSCME teams each made additional efforts to reach agreement on a very first consolidated Memorandum of Understanding. Unfortunately, the parties were unable to resolve the remaining 8 or so provisions. As such, the parties will move forward with seeking the assistance of a neutral fact finder to resolve those outstanding issues.

#### Update (4-9-2024):

Over the past twenty months, the USM and AFSCME teams have been engaged in the negotiation of a very first consolidated Memorandum of Understanding (MOU) covering employees in 15 individually and appropriately certified bargaining units across 9 applicable system institutions. It is important to note:

- The parties are negotiating an inaugural MOU in accordance with a change to the collective bargaining law which requires the Chancellor (or designee) to engage in multi-employer bargaining on a wide array of issues in a consolidated fashion. The change became effective in January 2022. Negotiation of a very first MOU is much more involved and time consuming than simply negotiating a successor MOU where significantly fewer issues may be at play.
- Thirty-one negotiation sessions have taken place to date, several lasting over twelve hours. The first meeting occurred on August 24, 2022, and the last meeting on March 4, 2024.
- To date, 150 tentative agreements (TAs) have been reached, including a generous three-year economic package. Throughout this lengthy and conscientious negotiation process, the USM team has made significant compromises. On the 150 TAs reached, the USM team has either agreed to maintain the status quo or, in many areas, has agreed to go further than the existing practice and provide enhanced benefits and terms and conditions of employment to bargaining unit employees.
- On March 4, 2024, the USM team presented a complete consolidated MOU document to AFSCME that included all TAs and the USM team's position on the remaining 10 or so provisions. This document reflected the USM team's best offer. AFSCME responded on April 3<sup>rd</sup> with its best offer to finalize negotiations.

Despite the hard work of the parties, there remain differences on 8 or so provisions.

The USM team remains committed to finalizing an agreement, including as necessary through the use of a third-party neutral to assist in resolving the outstanding issues.

#### Update (2-20-2024):

After a brief break for the holidays, the USM and AFSCME teams continue to engage in the consolidated collective bargaining process. The USM team remains optimistic that the parties can successfully resolve the remaining open provisions and come to agreement on a very first consolidated Memorandum of Understanding.

#### Update (12-15-2023):

In late October, the USM and AFSCME teams agreed to postpone factfinding in favor of continued negotiations on a more aggressive schedule. The teams began meeting on a weekly basis to continue their negotiations.

On December 8, 2023, after sixteen months of diligently engaging in this process, the teams were able to reach tentative agreement on the terms of an economic package. In addition to those terms, the teams have reached tentative agreement on approximately 50 other provisions. While there's still much work ahead to reach agreement on a complete and first consolidated Memorandum of Understanding with AFSCME, this is important progress.

The teams will continue negotiating over those remaining non-economic provisions in the new year.

#### Update (10-20-2023):

The USM and AFSCME teams have been engaged in the consolidated negotiation process for over one year. While the parties have continued to make progress, they are still a long way from agreement on a consolidated Memorandum of Understanding (MOU). Despite some modifications to its proposals, the total estimated cost of AFSCME's proposals remains in the hundreds of millions of dollars.

At the negotiation session held on October 17, 2023, the USM team presented its fourth iteration of a complete and comprehensive MOU proposal. This revised proposal included both existing counterproposal language and new counterproposal language and was what the USM team believed to be a fair and reasonable proposal. The AFSCME team had none of its own proposals or counterproposals to present at the meeting (though they did later counter some of the proposals presented by the USM team).

A statutory deadline is approaching. If the parties do not conclude negotiations by October 25<sup>th</sup>, either party can request factfinding. AFSCME indicated that it intends to invoke this quasi-litigation process.

The USM team remains committed to this process and to reaching agreement on a very first consolidated MOU with AFSCME.

#### Update (8-21-2023):

Negotiations are now approaching the one-year mark since the USM and AFSCME teams' first meeting under this new consolidated collective bargaining process. The parties have met twelve times over the

past year and have reached tentative agreement on twenty or so provisions. While some progress has been made, the USM team continues to eagerly await receipt of all of AFSCME's proposals; AFSCME indicated it still has one significant proposal remaining to present.

As noted previously, knowing and understanding the operational impact and the cost of proposals presented at the table, as well as the overall picture, is an important part of the collective bargaining process for our public sector institutions. Economic commitments at the table can last many years. The total estimated cost of AFSCME's proposals to date is just under \$1 billion over the course of a three-year agreement.

Though the parties have a long way to go yet, and careful consideration must be given to any operational and fiscal impact of the proposals, the USM team remains committed to this process and to reaching agreement on a consolidated Memorandum of Understanding.

#### Update (5-30-2023):

At the most recent consolidated collective bargaining session, held on May 17th, the USM team presented to AFSCME an updated comprehensive MOU proposal. The updated proposal functioned to identify those areas where tentative agreement has been reached, included language from counter proposals made by the USM team, and served to remind AFSCME of the many USM team's proposals that remain on the table for their consideration and response.

At this tenth bargaining session, AFSCME provided the USM team with a multi-part wage proposal. The USM institutions are working to calculate the estimated cost of the wage proposal, which is expected to be significant.

The parties continue to make progress toward reaching agreement on a consolidated MOU; the USM team is fully committed to this process.

#### Update (5-1-2023):

The parties continue to engage in consolidated MOU negotiations and have met now a total of nine times. AFSCME has yet to provide a complete response to the comprehensive MOU proposal presented by the USM team in September 2022 and instead continues to present separate sets of proposals for consideration. The total estimated cost of AFSCME's proposals to date, without wages, is over \$800 million over the course of a three-year MOU. Despite the very significant cost of the proposals on the table, the USM team remains committed to negotiating in good faith to reach agreement on a consolidated MOU.

The parties have reached tentative agreement on approximately twenty provisions. Given the current pace of negotiations, this process is likely to continue for many more months or longer before a final agreement is reached.

#### Consolidated Collective Bargaining Update (3-24-2023):

The consolidated collective bargaining negotiations with AFSCME began in late August 2022 and are well underway. The bargaining teams, comprised of the USM Chancellor's designee along with USM institution representatives, and AFSCME officials along with bargaining unit members, have met a total of seven times thus far. The teams have been operating under a set of established and agreed upon ground rules.

At the end of the second negotiating session with AFSCME in September 2022, the USM team presented a complete and comprehensive MOU proposal for exempt and nonexempt employees. The comprehensive MOU proposal – an entire collective bargaining agreement containing seventy proposed provisions, including subparts – was again presented to AFSCME at the December negotiating session, after the USM team addressed some union concerns.

Though at some point during negotiations the USM team expects AFSCME to provide a complete response to the comprehensive proposal from the AFSCME team, the USM team has not yet received one. AFSCME instead has presented its own sets of partial proposals, one group at a time, providing one package at each session. Even though there has been no real response to either of USM's September or December comprehensive MOU proposal, the USM team has countered AFSCME's proposals dozens of times.

Knowing and understanding the operational impact and the cost of proposals presented at the table is an important part of the collective bargaining process for our public sector institutions. Economic commitments at the table can last many years. After receiving its first set of truly substantive proposals from AFSCME on December 7<sup>th</sup>, the USM institutions were asked to estimate the cost of those proposals. Notably, without wages, the total estimated cost of AFSCME's December 7<sup>th</sup> proposals amounted to more than \$500 million over the course of a three-year MOU (approximately \$160+ million per year).

Careful consideration must be given to how taxpayer dollars are spent.

The USM team expressed concern over the significant cost of the proposals to AFSCME when they met with them on February 1<sup>st</sup>, when AFSCME presented more proposals with additional costs. AFSCME was asked to go back and identify their priorities. They have yet to do so.

The parties have tentatively agreed so far to approximately twelve provisions. Progress is being made, and the USM team expects to put in the hard work necessary to reach agreement on a consolidated MOU with AFSCME.

The next bargaining session is scheduled for March 29<sup>th</sup>.