MEMORANDUM OF AGREEMENT

For Successor Agreement
to the
2006 - 2009 BLUE COLLAR AGREEMENT
by and between

THE CITY UNIVERSITY OF NEW YORK
and

THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS, LOCAL 237

MEMORANDUM OF AGREEMENT made this ___ day of July, 2016 (hereinafter "MOA") by and between the undersigned parties, to wit, the International Brotherhood of Teamsters, Local 237 ("Local 237" or "Union"), and The City University of New York ("CUNY");

WHEREAS, the undersigned parties desire to enter into collective bargaining agreement modifying certain collective bargaining agreement between CUNY and the International Brotherhood of Teamsters, Local 237, terminating on September 17, 2009 ("predecessor agreement"), to cover employees represented by the Union ("Employees"); and

WHEREAS, the undersigned parties to this agreement intend by this MOA to cover all economic and non-economic matters and to incorporate the following terms of this MOA into the successor agreement, as set forth below;

NOW, THEREFORE, it is mutually agreed to by and between the parties as follows:

1. Term of Agreement:

   The terms of the successor agreement shall be eighty-seven (87) months from the date of termination of the applicable existing separate unit agreement, that is from September 18, 2009, through December 17, 2016.

2. Continuation of Terms

   The terms of the predecessor agreement shall be continued except as modified by this MOA.

3. Prohibition of Further Economic Demands

   No party to this MOA shall make additional economic demands during the terms of this agreement. Any disputes hereunder shall be promptly submitted and resolved.

4. Ratification Bonus

   A. A lump sum cash payment in the amount of $1,000, pro-rated for other than full-time employees shall be payable as soon as practicable upon ratification of the Agreement to those employees who are on payroll as of the date of ratification. The lump sum cash payment shall be pensionable, consistent with applicable law.
(i) Part-time per annum, part-time per diem (including seasonal employees), per session and hourly paid employees and employees whose normal work year is less than a full calendar year shall receive a pro-rata portion of the lump sum cash payment as set forth in Section 4 A. above, on the following basis:

(a) In order to be eligible to receive the $1,000 pro-rata lump sum cash payment, the hourly employee must have worked during any part of the period from July 1, 2015, through June 30, 2016 (Fiscal Year 2016).

(b) All hourly employees meeting the eligibility criteria in 4. (i) (a) above will receive a pro-rata amount based on the calculations of the total number of hours worked during the period July 1, 2015, through June 30, 2016, excluding any sick leave and/or annual leave paid during this period.

(c) The pro-rata calculation shall be based upon the full time per day equivalent (7 hours or 8 hours) for similar employees in respective full time titles, if applicable.

(d) The pro-rata portion of the lump sum cash payment shall not exceed the amount in Section 4. A. above.

(ii) The lump sum cash payment provided in Section 4. A. above shall be pensionable consistent with applicable law and shall be paid as soon as practicable upon ratification of this MOA.

(iii) The lump sum cash payment provided in Section 4. A. above shall not become part of the employee’s basic salary rate, nor shall it be added to the employee’s basic calculation of any salary based benefits, including calculation of future collective bargaining increases.

5. General Wage Increase

a. The general wage increases shall be as follows:

<table>
<thead>
<tr>
<th>Effective Dates</th>
<th>Percentage Increase</th>
<th>Effective Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/18/11</td>
<td>1% percent (1st day of the 18th month)</td>
<td></td>
</tr>
<tr>
<td>03/18/12</td>
<td>1% percent (1st day of the 30th month - compounded)</td>
<td></td>
</tr>
<tr>
<td>03/18/13</td>
<td>2.5% percent (1st day of the 42nd month - compounded)</td>
<td></td>
</tr>
<tr>
<td>03/18/14</td>
<td>2% percent (1st day of the 54th month - compounded)</td>
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</tr>
</tbody>
</table>
v) 2% percent 03/18/15  
(1st day of the 66th month - compounded)

vi) 1.5% percent 03/18/16  
(1st day of the 78th month - compounded)

vii) Part-time per annum, per session, hourly, per diem (including seasonal) employees and employees whose normal work year is less than a full calendar year shall receive the increases provided in Section 5. a. (i) through (vi) on the basis of the computations previously utilized by the parties for all such employees.

b. The increases provided in Section 5. a. (i) through (vi) shall be calculated as follows:

i) The general increases in Section 5. a. (i) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the seventeenth (17th) month of this successor agreement.

ii) The general increase in Section 5. a. (ii) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the twenty-ninth (29th) month of this successor agreement.

iii) The general increase in Section 5. a. (iii) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the forty-first (41st) month of this successor agreement.

iv) The general increase in Section 5. a. (iv) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the fifty-third (53rd) month of this successor agreement.

v) The general increase in Section 5. a. (v) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the sixty-fifth (65th) month of this successor agreement.

vi) The general increase in Section 5. a. (vi) shall be based upon the base rates (including salary or incremental salary schedules) of the applicable titles in effect on the last day of the seventy-seventh (77th) month of this successor agreement.

c. Other Increases as follows:

i) The general increases provided in Section 5. A. above shall be applied to the base rates incremental salary levels and the minimum and maximum rates (including levels, if any) fixed for the applicable titles.

ii) Uniform Allowance

$102 increase to the uniform allowance for full-time Campus Public Safety Sergeant, Campus Peace Officers and Campus Security Assistants, pro-rated for part-time employees in the security titles, effective 7/1/16.
iii) 7-Year Salary Step Pay Plan for Campus Peace Officers effective 9/18/16, as set forth below:

Level I schedule with wage increases

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1%</td>
<td>1%</td>
<td>2.50%</td>
<td>2%</td>
<td>2%</td>
<td>1.50%</td>
<td>incumbents</td>
<td>new hires</td>
</tr>
<tr>
<td>New hire year 1</td>
<td>$29,933</td>
<td>$30,232</td>
<td>$30,534</td>
<td>$31,297</td>
<td>$31,923</td>
<td>$32,561</td>
<td>$33,049</td>
<td>$33,825</td>
<td>--</td>
</tr>
<tr>
<td>New hire 1+ year service</td>
<td>$30,749</td>
<td>$31,056</td>
<td>$31,367</td>
<td>$32,151</td>
<td>$32,794</td>
<td>$33,450</td>
<td>$33,952</td>
<td>$35,132</td>
<td>--</td>
</tr>
<tr>
<td>New Hire year 2</td>
<td>$31,937</td>
<td>$32,256</td>
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<td>$33,393</td>
<td>$34,061</td>
<td>$34,742</td>
<td>$35,263</td>
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</tr>
<tr>
<td>Level I - hiring rate</td>
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<td>$34,163</td>
<td>$34,505</td>
<td>$35,368</td>
<td>$36,075</td>
<td>$36,797</td>
<td>$37,349</td>
<td>$37,349</td>
<td>$33,825</td>
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<tr>
<td>Level I - 1 year</td>
<td>$35,132</td>
<td>$35,483</td>
<td>$35,838</td>
<td>$36,734</td>
<td>$37,469</td>
<td>$38,218</td>
<td>$38,791</td>
<td>$38,791</td>
<td>$35,132</td>
</tr>
<tr>
<td>Level I - 2 years</td>
<td>$36,250</td>
<td>$36,613</td>
<td>$36,979</td>
<td>$37,903</td>
<td>$38,661</td>
<td>$39,434</td>
<td>$40,026</td>
<td>$40,026</td>
<td>$36,332</td>
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<tr>
<td>Level I - 3 years</td>
<td>$40,724</td>
<td>$41,131</td>
<td>$41,542</td>
<td>$42,581</td>
<td>$43,433</td>
<td>$44,302</td>
<td>$44,967</td>
<td>$44,967</td>
<td>$37,981</td>
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<tr>
<td>Level I - 4 years</td>
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<td>$44,967</td>
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<td>Level I - 5 years</td>
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<td>$44,967</td>
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<td>Level I - 6 years</td>
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<td>$44,967</td>
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<tr>
<td>Level I - 7 years</td>
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<td>$47,030</td>
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</tbody>
</table>

6. **Conditions of Payment**

The general increases provided in Section 5. a. (i) through (vi) shall be payable as soon as practicable upon execution of this MOA.

7. **Welfare Fund:**

**Effective Dates**

**Increase**

$100.00  12/17/16

a. Effective on the last day of the eighty-seventh (87th) month of the applicable successor unit agreement for the International Brotherhood of Teamsters, Local 237, the contribution paid on behalf of each full-time per annum employee to each applicable welfare fund shall be increased by one hundred dollars ($100.00) per annum.
b. The per annum contribution rates paid on behalf of eligible part-time per annum, hourly, per session and per diem (including seasonal employees) and employees whose normal work year is less than a full calendar year, as set forth in Paragraph No. 5 above, shall be adjusted in the same proportion heretofore utilized by the parties for all such employees as the per annum contribution rates are adjusted in Section 5.a. for full-time employees.

c. The Unions agree to provide welfare fund benefits to domestic partners of covered employees in the same manner as those benefits are provided to spouses of married covered employees.

d. The May 5, 2014 Letter Agreement regarding health savings and welfare fund contributions between the City of New York and the Municipal Labor Committee, attached hereto as an Appendix, is deemed to be part of this MOA.

8. Non-Economic Revisions and/or Changes to the Blue Collar Unit Agreement

a. Amend Article II (Union Rights and Union Security) of the Blue Collar Unit Agreement to establish a new Section 9, to provide that each respective union shall be permitted to use college electronic mail facilities ("email") for the distribution of authorized union communications and/or meeting notices.

b. Amend Articles XXV (Disciplinary Procedure), Section 4 of the Blue Collar Unit Agreement to allow the colleges to implement the penalty of termination at the college level in cases where (i) an employee has been absent without authorization and fails to notify or communicate such absence in the manner prescribed by the College Director of Human Resources for a period of fifteen (15) or more consecutive work days; and (ii) fails to respond to follow-up correspondence sent to the employee by the College's Office of Human Resources via regular and overnight mail, advising the subject employee of his/her job abandonment status, within five (5) work days of its receipt.

In the event that an employee responds after the effective date of his/her termination, an appeal may be filed by the union within twenty (20) work days of the date the employee was terminated by the college. The appeal will be heard at Step II in accordance with the procedures contained in Section 3 of the disciplinary procedure. An appeal not filed within the time frame set forth herein will be deemed waived and not subject to any further appeal.

9. Resolution of Disputes

a. Subject to the subsequent provisions of Section 9 b. below, any dispute, controversy, or claim concerning or arising out of the execution, application, interpretation or performance of any of this MOA shall be submitted to arbitration upon written notice therefor by any of the parties to this MOA to the party with whom such dispute or controversy exists. The matter submitted for arbitration shall be submitted to the classified staff arbitration panel in accordance with the
terms of the dispute resolution provisions of the successor agreement. Any award in such arbitration proceeding shall be final and binding and shall be enforceable pursuant to Article 75 of the CPLR.

b. After incorporation of this Agreement into the applicable successor agreement, any dispute, controversy or claim referred to in Section 9. a. which arises between the parties to such separate agreement shall be submitted in accordance with the dispute resolution provisions of such applicable successor agreement.

c. The terms of this Section 9 shall be from the date of execution of this MOA to the date of execution of any Successor Agreement to this MOA.

10. **Retroactivity**

In the event that any payment is not paid on the date due under this MOA, such payment when made shall be paid retroactive to such due date.

11. **Approval and Ratification**

The terms of this MOA are subject to approval by the Board of Trustees of The City University of New York and ratification by the CUNY-employed membership of the International Brotherhood of Teamsters, Local 237, as set forth above in the opening paragraph of this MOA.

It is agreed by and between the parties that any provision of this agreement requiring legislative action to permit its implementation by amendment of law, or by providing the additional funds therefor, shall not become effective until the appropriate legislative body has given approval.

12. **Savings Clause**

In the event that any provision of this MOA is found to be invalid, such invalidity shall not impair the validity and enforceability of the remaining provisions of this MOA.
WHEREFORE, we have hereunto set our hands and seals on this ___ day of July, 2016.

THE UNIONS

By: Gregory Floyd
President
IBT Local 237

Date: 7/19/16

THE CITY UNIVERSITY OF NEW YORK

By: James B. Milliken
Chancellor
The City University of New York

Date: 8/25/16
May 5, 2014

Harry Nespoli  
Chair, Municipal Labor Committee  
125 Barclay Street  
New York, NY 10007

Dear Mr. Nespoli:

This is to confirm the parties' mutual understanding concerning the following issues:

1. Unless otherwise agreed to by the parties, the Welfare Fund contribution will remain constant for the length of the successor unit agreements, including the $65 funded from the Stabilization Fund pursuant to the 2005 Health Benefits Agreement between the City of New York and the Municipal Labor Committee.

2. Effective July 1, 2014, the Stabilization Fund shall convey $1 Billion to the City of New York to be used to support wage increases and other economic items for the current round of collective bargaining (for the period up to and including fiscal year 2018). Up to an additional total amount of $150 million will be available over the four year period from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties. Thereafter, $60 million per year will be available from the Stabilization Fund for the welfare funds, the allocation of which shall be determined by the parties.

3. If the parties decide to engage in a centralized purchase of Prescription Drugs, and savings and efficiencies are identified therefrom, there shall not be any reduction in welfare fund contributions.

4. There shall be a joint committee formed that will engage in a process to select an independent healthcare actuary, and any other mutually agreed upon additional outside expertise, to develop an accounting system to measure and calculate savings.
5. The MLC agrees to generate cumulative healthcare savings of $3.4 billion over the course of Fiscal Years 2015 through 2018, said savings to be exclusive of the monies referenced in Paragraph 2 above and generated in the individual fiscal years as follows: (i) $400 million in Fiscal Year 2015; (ii) $700 million in Fiscal Year 2016; (iii) $1 billion in Fiscal Year 2017; (iv) $1.3 billion in Fiscal Year 2018; and (v) for every fiscal year thereafter, the savings on a citywide basis in healthcare costs shall continue on a recurring basis. At the conclusion of Fiscal Year 2018, the parties shall calculate the savings realized during the prior four-year period. In the event that the MLC has generated more than $3.4 billion in cumulative healthcare savings during the four-year period, as determined by the jointly selected healthcare actuary, up to the first $365 million of such additional savings shall be credited proportionately to each union as a one-time lump sum pensionable bonus payment for its members. Should the union desire to use these funds for other purposes, the parties shall negotiate in good faith to agree on an appropriate alternative use. Any additional savings generated for the four-year period beyond the first $365 million will be shared equally with the City and the MLC for the same purposes and subject to the same procedure as the first $365 million. Additional savings beyond $1.3 billion in FY 2018 that carry over into FY 2019 shall be subject to negotiations between the parties.

6. The following initiatives are among those that the MLC and the City could consider in their joint efforts to meet the aforementioned annual and four-year cumulative savings figures: minimum premium, self-insurance, dependent eligibility verification audits, the capping of the HIP HMO rate, the capping of the Senior Care rate, the equalization formula, marketing plans, Medicare Advantage, and the more effective delivery of health care.

7. Dispute Resolution
   a. In the event of any dispute under this agreement, the parties shall meet and confer in an attempt to resolve the dispute. If the parties cannot resolve the dispute, such dispute shall be referred to Arbitrator Martin F. Scheinman for resolution.
   b. Such dispute shall be resolved within 90 days.
   c. The arbitrator shall have the authority to impose interim relief that is consistent with the parties' intent.
   d. The arbitrator shall have the authority to meet with the parties at such times as the arbitrator determines is appropriate to enforce the terms of this agreement.
   e. If the parties are unable to agree on the independent health care actuary described above, the arbitrator shall select the impartial health care actuary to be retained by the parties.
   f. The parties shall share the costs for the arbitrator and the actuary the arbitrator selects.
If the above accords with your understanding and agreement, kindly execute the signature line provided.

Sincerely,

[Signature]

Robert W. Linn
Commissioner

Agreed and Accepted on behalf of the Municipal Labor Committee

BY: [Signature]

Harry Nespoli, Chair