

**MEMORANDUM OF
UNDERSTANDING BETWEEN
THE STATE OF MINNESOTA
AND
AFSCME COUNCIL 5, AFL-CIO**

This Memorandum of Understanding (“MOU”) between the State of Minnesota (hereinafter “Employer”) and AFSCME Council 5 (hereinafter “Union”) (collectively the “Parties”) is entered into on this 31st day of December, 2025 in order to set forth the agreement of the Parties regarding contract language relevant to Paid Parental Leave and to Minnesota’s “Pay History” law, Minn. Stat. § 363A.08.

WHEREAS, Article 10, section 3, paragraph N(2), of the 2025-2027 labor agreement between the Employer and Union provides in relevant part that employees eligible for Paid Parental Leave (“PPL”) are those who do not meet eligibility criteria for the Minnesota Paid Leave Law, Minn. Stat. § 268B;

WHEREAS, Article 18, Wages, Section 7. Salary Upon Appointment to a Vacancy of the 2025-2027 labor agreement between the Employer and Union prescribes salary treatment for employee movements when promoting, transferring, and demoting to another position that conflict with the Pay History law;

WHEREAS, Appendix P, Glossary, of the 2025-2027 labor agreement between the Employer and Union provides definitions for promotion and transfer employee movements that conflict with the Pay History law and definition for transferable classes that does not align with the Pay History law; and

WHEREAS, the Parties are willing to modify eligibility for Paid Parental Leave and remove contract language that the Employer has determined is not in compliance with the Pay History law;

NOW THEREFORE, the parties hereto, acting through their respective agents, do hereby agree as follows:

1. Eligible employees for PPL are those who meet the eligibility criteria for Family and Medical Leave Act (“FMLA”) leave and who experience a qualifying event as set forth in the 2025-2027 labor agreement. This shall include employees who meet the eligibility criteria for the Minnesota Paid Leave law.
2. Article 18, Wages, Section 7. Salary Upon Class Change shall be supplemented as follows:

Section 7. Salary Upon Appointment to a Vacancy

F. **Compensation upon Promotion, Transfer, and Demotion.** The parties agree that for purposes of determining compensation upon reallocation, promotion, transfer, and demotion, the Employer will comply with relevant Minnesota Statutes.

3. The parties agree to incorporate the above changes into the successor labor agreement and understand that any additional changes would need to be negotiated.
4. The terms of this MOU shall not be construed to establish any precedent between the parties and may not be offered as evidence in any grievance or arbitration proceeding, except in a proceeding arising from claims brought under this MOU. The parties shall not ever assert or claim that this MOU is a precedent in any current or future personnel action or administrative procedure or litigation of any kind.

5. The terms of this MOU shall not be construed to place any limits on management rights, so long as such rights are not in conflict with a stated term of this MOU.
6. The parties agree that they have carefully read and fully understand the terms of and that they are voluntarily entering into this MOU.
7. The parties agree that this MOU constitutes the entire agreement between the parties on the matters discussed herein and it fully supersedes any and all prior agreements or understandings between them relating to the subject matter contained herein.

AFSCME Council 5

Dated this 12 day of 31 2025



Gary Vendela
AFSCME Council 5

FOR State of Minnesota

Dated this _____ day of _____ 2025

Jennifer Ziegler
Enterprise Director Labor Relations
Minnesota Management & Budget