

**Memorandum of Understanding
Between
Montana Department of Transportation
And
Montana Public Employees Association**

This memorandum of understanding is entered into by the Montana Department of Transportation herein referred to as the "Department", and the Montana Public Employees Association, herein referred to as the "Union".

The Department and the Union agree to modify the supplemental collective bargaining agreement between MPEA and the Montana Department of Transportation 2017/19.

The Oil Patch Rent Allowance Program is available to individuals employed in essential and difficult recruitment and retention positions/classifications located within areas of the Glendive District affected by oil activities.

In accordance with Section D (1) Housing Allowance Payments, MDT has established a rental allowance program to offer some relief to the Glendive District's workforce challenges. These procedures are applicable to new and current employees.

Employees who rent a permanent residence in the following location are eligible to apply for the Oil Patch Rent Allowance Program and upon approval will be given \$500 (five hundred dollars) each month to offset housing liabilities.

Sidney

The rental allowance agreement is void and the rent allowance payment will be discontinued once an employee terminates employment with MDT, transfers to another MDT District or is no longer renting. The employee must notify his/her supervisor, Human Resources and payroll to stop the rental allowance. The employee is responsible for repaying excess allowance once the agreement has ended.

PROCEDURE:

Employee must submit a completed, signed rental or lease agreement and complete an MDT request for rental allowance application. The completed rental or lease agreement and request for rental allowance application must be submitted to Human Resources for approval. Expected turnaround for approval is five business days. The following information must be included on the rental or lease agreement:

- Employee's name
- Rental Company/Landlord name
- Rental Company/Landlord address
- Amount of rent
- Effective date of lease

Rental allowance approvals are in effect for twelve months from the signature date of Human Resources approval. To renew a rental allowance request, the employee must submit a new application at least 30 days prior to the renewal date.

Monthly verification of rent payment is required. Documentation must be received in Human Resources by the tenth calendar day of each month. Acceptable documentation includes one of the following:

- Receipt from the rental company including name and address of rental property, date and amount OR,
- Cancelled check OR,
- Copy of money order.

OTHER:

All payments for rental allowances are taxable as required by IRS regulations. The rental allowance and applicable taxes will be processed on the first pay check following the 10th of the month.

Continuation of the Rental Allowance Program depends upon rental market conditions; recruitment and retention difficulties; the employee is no longer impacted by the economic conditions; and/or availability of MDT funding. Payment amounts can change due to a number of circumstances such as a decreased dollar amount in rent/lease agreement or inadequate funding within the MDT budget. This program can be eliminated and/or the agreement can be rescinded at any time with a thirty (30) day notice to the impacted employee(s).

The rent allowance is intended for individual/family housing needs and shall not be used for shared/sublet housing arrangements. An investigation may be conducted at any time, to ensure this policy is followed as intended.

Any violation of the Oil Rent Allowance Program may nullify the rental allowance and may lead to disciplinary action.

All exceptions must be justified, documented and presented to the Director for approval or denial.

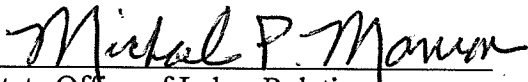
A committee comprising of AFSCME, MPEA and Management members will be established to review this agreement every 3 months and modify when deemed necessary.

This agreement will sunset June 30, 2019.

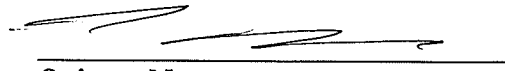
DATED this 11th day of October, 2017

FOR: STATE OF MONTANA

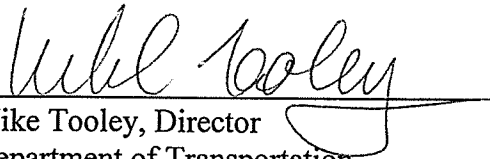
FOR: MONTANA PUBLIC
EMPLOYEES
ASSOCIATION



State Office of Labor Relations



Quinton Nyman
Executive Director



Mike Tooley, Director
Department of Transportation