

ADDENDUM
September 21, 2012

III. ACTION ITEMS

C. Labor Agreements

3.) **Contract Renewal and Successor Agreement - University Professionals of Illinois, Local #4100**

Labor Agreement:

Through the Interest Based Bargaining, process a tentative agreement was reached between the parties on July 7, 2012, to renew and amend provisions of the agreement. There are approximately 659 employees in the bargaining unit. The UPI ratified the tentative agreement on September 17, 2012. The agreement is effective September 1, 2012, through August 31, 2016.

Cost of Settlement:

The parties agreed to a 1.5 % across the board (ATB) increase for each of the 4 years. The agreement also contains merit pay formulas. The parties agreed on a revised summer pay formula, and there is salary reopener language depending on the University's income in years three and four of the agreement.

Estimated cost for FY13	\$1,148,150 (1.5% ATB increase of \$571,006 plus merit)
Estimated cost for FY14	\$1,213,898 (1.5% ATB increase of \$633,279 plus merit)
Estimated cost for FY15	\$1,235,634 (1.5% ATB increase of \$651,487 plus merit)
Estimated cost for FY16	\$1,257,748 (1.5% ATB increase of \$670,021 plus merit)

It is recommended that the Board of Trustees approve this successor agreement.