

## State of Montana - VOTING Guidelines/best practices.

### **Agency must have had management presentation of VEBA plan and discussion of potential group arrangements**

1. Agency discusses Group set up options and makes decision. Possible groups are:
  - Whole Agency – All that separate are in VEBA, retire, separate, terminate.
  - Whole Agency - Those eligible to retire. Only those that eligible to retire from PERS or similar system are in voting group and receive a VEBA account.
  - Dept ID – Recognized business unit. Anyone that separates is in the VEBA. Level, Bureau, Division, etc. They may combine to form group. Everyone will be a VEBA Member at separation OR retirement.
  - Union Groups – either individual union groups within an agency or separate agency into Union and Non-union entities.
2. If Agency chooses to vote as retirement eligible, they must request agency list from MPERA. Request this from HCBBD (Health Care & Benefits Division.)
3. Agency will notify Union representatives of voting decisions. Prior to initiating the election, state management will approach the union with **two questions** (*and request the answers in writing*): **(1)** does the union desire an election among members of the bargaining unit? and; **(2)** if "yes," does the union desire to have the bargaining unit employees included in the same VEBA as the non-unionized employees, or a separate VEBA consisting only of the unionized employees?
4. Once group definition is completed and approved by HCBBD, then group education sessions will be conducted. Coordinate with HCBBD.
5. Agency schedules vote, prepares ballot & cover memo.
6. Email may be sent with the Cover Memo and Ballot attached (using Agency Letterhead for Cover Memo) and members are asked to print the ballot and return either in person, fax or through deadhead mail. Votes may be printed from an electronic return of the completed form.
7. Ballots returned by given date, counted and summarized. Per ARM Rules for VEBA, once a vote is requested, the agency must conduct the vote within 60 days of the request. Further, employees must be notified of the vote at least 15 days prior to the date of the vote. The effective date of the group must be no later than 30 days following the completion of the vote.
8. Place an easily accessible place/box for returned ballots. Some agencies have provided two boxes so that the ballot may be cut apart with the name on one half and the vote on the other. Your intention is to be able to assure that if you have "x" number of ballots that you also have the same number of names. Some folks prefer to separate them, and you can provide that option.
9. Counted results published for the voting group to view. You may do by website if you have one, email or memo.
10. Provide summary of vote process to DOA – Employee Benefits ([mdenning@mt.gov](mailto:mdenning@mt.gov)) which includes;
  - Copy of ballot & cover memo used.
  - Voting result numbers summarized (#Y & #N) at vote close.
  - Policy/Resolution

The Employer keeps the returned ballots.
11. Excel Data sheet of all group members filled out by agency staff and returned to DOA when complete.
12. Adoption Agreement and Policy memo, Union Agreement or Memo of Understanding forwarded (signed) to Melanie.

13. Group is effective the first day of the pay period following the completion of the vote, as stated on the approved Ballot and Cover Memo.

14. Annual voting. It is suggested that 30 days prior to the anniversary of the group, it is best practice to notify the group of their annual voting option. As long as the group membership has the minimum of 5 participants. Annually, the group may

- Continue the group as voted the prior year without requesting to do so.
- Vote to discontinue the VEBA group. Vote results must be a majority. This option allows a group to form again anytime during the year as long as there are a minimum of 5 members.
- Vote to change the contribution source.

If the group has less than 5, their options are:

- Continue the group as voted the prior year, or
- Vote to discontinue the VEBA group.

The agency may include in their ballot, cover memo and policy whether an annual vote will be conducted each year, or the group must request a vote with 25% of its' membership requesting such. Once a vote is requested, the agency may then decide to provide a "straw pole" to decide the voting strategy of group change, contribution change or both.

15. Once this is known, repeat steps 5 – 13.

Tools (available on the website):

**Ballot Cover Memo** - State version, agency can customize.

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**Adoption Agreement** – Sent for signature once Agency Management agrees to OFFER VEBA education and defines group structure. Covers whole agency no matter how many groups

**Memo of Understanding, Policy and/or Bargaining Language MOU** - As groups form in a given agency, these are filled out by agency staff to define groups within the agency. Samples are included in the Employer Handbook that covers possible groups. These are matched up w/Agency Adoption agreement at DOA-HCBD.

**Enrollment Form** – This form is to be filled out and completed by the separating VEBA member. It is sent to DOA-HCBD by agency payroll/HR staff at employee separation . Employee may fill out when preparing to leave State of Montana employment. Make a copy for the agency H/R file and send the original one to DOA-HCBD.

**Excel Data Sheet Template** - Agency staff will fill in with all those eligible and return to DOA-HCBD. Maintenance will be based on this spreadsheet.