

The provisions of the Sideletter Agreement shall remain in effect for 12 months following the effective date and shall apply at those locations where the University implements temporary layoffs within the CX Bargaining unit in order to address the temporary shortfall in state funding.

1. This Agreement shall only apply to CX unit employees who would otherwise be temporarily laid off during fiscal year 2009-2010 in order to address the state funding shortfall for fiscal year 2009-2010. The projected required savings for the affected CX bargaining unit employees is approximately \$13 million. This agreement does not cover temporary layoffs of CX unit employees for reasons other than the temporary budgetary shortfall and this Agreement shall not apply to such layoffs.
2. The total number of days on temporary layoff status for each affected CX employee shall be in accordance with the table below:

Annual Full Time Salary Amount a/o January 2009	Days of Temporary Layoff	Corresponding Percentage Reduction in Salary
40,000 and below	11	4%
40001 -50,000	13	5%
50,001 and above	16	6%

3. Part-time appointees shall be temporarily laid off and have their salary reduced in proportion to their full-time equivalent salary. For example, an employee who has a 75% appointment and earns \$33,000 per year (\$44,000 full-time equivalent) is within Salary Band 2 that allots 13 temporary layoff days and a 5% salary reduction, so the employee will be temporarily laid off 9.75 days (13 days x 75%) and a \$1,650 salary reduction (\$33,000 x 5%). Any CX employee with a 50% or greater appointment shall maintain medical benefits at current levels.
4. The term "temporary layoff days" shall include partial days (hours) on temporary layoff status since the application of the formula above to part-time employees will result in such employees being temporarily laid off for partial days (hours).

5. In order to minimize disruption to University operations, and avoid additional lost days of pay, the temporary layoff days shall be scheduled to coincide with scheduled campus and departmental closure periods except for employees that are required to work during such closure periods (eg. Dec. 2009, March 2010) so that temporary layoff days shall coincide with closure days (see attachment A for each campus' planned closure schedule). Where the University has scheduled the temporary layoff of an individual CX employee to coincide with a closure day, an employee scheduled for temporary layoff days shall have the option of advising her/his supervisor in writing that s/he does not wish to have her/his temporary layoff days coincide with campus closure day(s). Such option must be affirmatively exercised in advance of the closure period. Absent extenuating circumstances, the University shall accommodate such employee's request. In the event, such employee's temporary layoff day does not coincide with the closure day, the employee shall use vacation, compensatory time, or leave without pay during the closure period. The University will rescind any layoff notices already issued which are inconsistent with this agreement.
6. Where the number of temporary layoff days exceeds the number of campus closure days for an individual CX employee (e.g. 11 closure days at a campus compared to 13 temporary layoff days), the excess temporary layoff days shall be scheduled in the same manner that the affected employee's department schedules vacation leave. Requests to schedule layoff days shall not be unreasonably denied. The parties agree, however, that such temporary layoff days are not vacation leave and may not be taken after December 31, 2010 at which time any unused temporary layoff days shall expire.
7. In order to mitigate the effects of the loss of income on employees under this program, monthly paid employees who are temporarily laid off shall have their monthly salaries reduced by the applicable percentage in each month for a consecutive 12 month period commencing with January earnings paid February 1, 2010 or as soon as practicable thereafter. Reductions in bi-weekly pay checks will commence with the first payout date after February 1, 2010 or as soon as practicable thereafter and continue for 26 bi-weekly pay periods.
8. An employee may opt not to have her/his pay reduced by regular amounts pursuant to the preceding paragraph so that her/his regular pay (monthly/bi-weekly/semi-monthly) would fully reflect the reduction for temporary layoff days taken during the applicable pay period(s). In order to utilize this option, employees must notify their supervisors prior to the first closure day at their campus.

9. Due to the proximity of the commencement of the December closure period, agreement by the parties on this sideletter shall serve as notice of temporary layoff to employees who are to be temporarily laid off during the December closure period. Such individual employees and CUE shall receive actual notice of the December temporary layoff schedule for affected CX employees as soon as practicable. Notice of temporary layoff days that occur following the December closure period and which are not being scheduled at the employee's request, shall conform to the notice requirements in Article 13, Layoff.

Temporary layoff days shall be considered time on pay status for the purposes of benefits, vacation and sick leave accruals, and determining eligibility for holiday pay except for those employees who have elected to have the reduction in pay occur only in those pay periods during which temporary layoff days are taken. Temporary layoff days shall not be considered days/hours worked for the purpose of calculation of premium overtime under Article 10, Hours of Work.

The University acknowledges that employees who are temporarily laid off will have less time to perform their assigned tasks than they did under the pre-layoff schedules. This fact shall be taken into account in the performance evaluation process.

Absent extenuating or emergency circumstances, no CX employee shall be required to work overtime hours to perform work that would otherwise be performed by a laid off employee.

10. The University shall comply with all applicable requirements/prohibitions under HEERA with respect to the transfer of CX bargaining unit work during the time periods covered by any temporary layoffs.
11. It is the intent of the parties that this Agreement applies to the extent possible to those CX employees who have already been temporarily laid off during the current fiscal year. The following provisions apply to such employees.
  - a. Where a CX employee has already been placed on temp layoff status prior to December 1, 2009 because s/he did not participate in UC's furlough program, such days on temporary layoff status shall be credited against the applicable number of required temp layoff days identified in the chart in paragraph 1 above. For example, where an employee earning \$52,000 annually has been on temp layoff status for 5 days, such employee will only be temporarily laid off an additional 11 days per this Agreement.

12. Employees who have elected to participate in the START Program during fiscal year 2009-10 shall not be covered by this Agreement. However, should an employee terminate START during fiscal year 2009-10 before completing 12 months in the START program, s/he may be subject to temporary layoffs pursuant to this Agreement. In that event, the total salary reduction for such employee shall not exceed the amount by which the employee's salary would have been reduced under this Agreement.
13. Provisions of this Sideletter shall be grievable through Step 2, or enforceable in a court of competent jurisdiction.
14. By entering into this agreement neither party is admitting any wrongdoing, liability or fault, or lack thereof, in relation to the subject matter of this agreement. The University maintains that it may lawfully impose temporary layoffs on members of the CX bargaining unit and curtail or close University operations while the union maintains that the University may not lawfully take such action. Notwithstanding any other provision of this agreement, the parties acknowledge that the issues of whether the University may impose temporary layoffs on members of the CX bargaining unit and/or curtail operations, and whether its actions in this regard were lawful, are currently before the Public Employment Relations Board (PERB), and the Union does not agree herein to release, withdraw or settle any part of its pending ULP charge to that effect (PERB Charge No. SF-CE-905). The parties further acknowledge that this agreement is not intended to be used as evidence of liability or lack of liability by either party in the matter before PERB, other than to establish that any negotiable effects resulting from the temporary layoffs have been resolved to the satisfaction of both parties.

Agreed to by CUE: Amatullah Ataji-Sabrie

Date: December 4, 2009

Agreed to by UC: [Signature]

Date: December 4, 2009