

**Side Letter of Understanding Between the
Superior Court of California, County of San Luis Obispo (the Court) and
Service Employees International Union, Local 620 (SEIU, Union or Local 620)
Pursuant to the Trial Court Employment Protection and Governance Act
Contract Extension for Bargaining Units 18 and 20
August 29, 2011**

The State of California, including the Judicial Branch, faces an unprecedented fiscal crisis. The Court's annual revenue allocation has been reduced for fiscal year 2011-2012 by approximately \$1,040,972. The Court's estimated revenue shortfall for fiscal year 2011-2012 currently stands at approximately \$1,084,191. Thus the parties agree that time is of the essence to implement cost saving measures and budget reductions for the benefit of the Court, its employees, and the community we serve. The Court and Union, by their authorized representatives agree as follows:

Meaning and Effect of Side Letter of Understanding

Unless otherwise stated herein, the provisions of this Side Letter of Understanding supersede any inconsistent, conflicting or redundant provisions of the parties' current Memoranda of Understanding (MOUs) and relevant personnel policies. The provisions of the parties' MOUs otherwise remain in full force and effect through and extended to December 31, 2013. Concerns regarding the meaning and application of this Side Letter of Understanding should be raised by the authorized representative(s) of either party at the earliest opportunity.

Reduction in Force

Nothing herein shall be considered to limit in any way the Court's ability to conduct layoffs at any time consistent with the parties' current MOUs and personnel policies, subject to any requested impact/effects negotiations as is customary under such circumstances.

Furlough Days

Effective the first full pay period in October 2011, full-time bargaining unit employees shall have (1) mandatory furlough day each pay period for the remaining pay periods covered by the MOU. Part-time employees shall have the same reduction of work hours pro rata as full-time employees.

The furlough days shall be scheduled by the Supervisor/Manager and shall normally take place on Fridays within affected pay periods. Employees may request to adjust their furlough day within said pay period. Furlough day adjustments shall be granted at the discretion of the CEO or his or her designee. If a holiday occurs on a scheduled furlough day then said furlough day will take place the day immediately preceding the holiday. Furlough Fridays shall be staffed equitably so as to continue court operations and meet necessary fiscal reductions.

Employees shall not be permitted to use any form of paid time off on such days, as it may otherwise defeat the cost saving purpose. If employees have already scheduled vacation on a Furlough Friday the vacation time for that day shall be cancelled.

Employees who are in an unpaid status, will be exempt from the furlough program for the duration of that status. If the employee is functioning in a combined paid and unpaid status, the furlough hours will be prorated in accordance with the paid and unpaid hours.

Modification of MOUs – Negotiated Salary Increase (NSI)

The previously negotiated 2.0% wage increase scheduled for the pay period that includes December 1, 2011 and 1.5 % wage increase scheduled for the pay period that includes June 1, 2012 shall be deferred. A 3.5% wage increase shall be effective the pay period beginning September 15, 2013.

After the Court's final budget is known for fiscal year 2013-2014, upon request of either party during said fiscal year, they shall meet and confer on base wages and/or furlough days. All provisions of the parties' MOU shall remain in full force and effect. Any changes in base wages and/or furlough days must be made by mutual consent.

Retirement Benefits

To prevent an adverse impact on employees' future retirement benefits, the employee contribution and the employer contribution will remain unchanged.

Other Benefits

It is the parties intent that this Side Letter of Understanding not adversely impact employee's leave accruals (vacation and sick leave).

Proportional Reductions

Where savings may be realized in court operations, the Court shall in good faith attempt to achieve proportionate savings as it relates to reduction of wages and salaries from employees in other represented and unrepresented bargaining units. Should the Court fail in its attempt to achieve equivalent furlough or other wage and salary savings for other represented employees (excepting Court interpreters) by June 30, 2012, the Court agrees to discontinue the specific furlough program described in this side agreement and to pursue other means of wage and salary savings. The Court agrees to implement furlough days for unrepresented employees (employee units 26, 27, 24 and 25) effective the same date and duration as for SEIU represented employees.

Should the Court grant any wage or salary percentage increase to Court employees not represented by SEIU (excepting Court interpreters) SEIU-represented employees of the Court shall receive the same percentage increase.

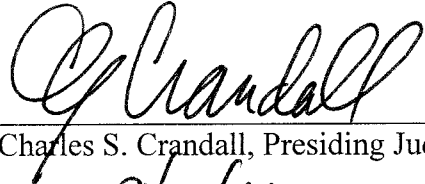
Article 13.2 Basic Pay Plan shall remain in full force and effect.

Voluntary Unpaid Leave Time

The limit of thirty-two (32) hours of voluntary unpaid leave time shall be temporarily increased to forty-eight (48) hours through December 31, 2013. All other provisions of Article 15.1 Voluntary Unpaid Leave Time of the current MOUs shall remain unchanged.

APPROVED:

For the Court:



Charles S. Crandall, Presiding Judge

9/6/11

Date

For the Union



SEIU Representative, Local 620

9/7/11

Date