

**Proposed Amendments 2009 General and Attorney Unit
Memorandum of Understanding
Union Final Proposal**

Executive Summary

Term: The term of the MOU's will be extended to December 31, 2009. A longer term, while desirable, is not possible due to the economic challenges facing the State Bar and the economy in general. Negotiations will reopen toward the end of 2009 on successor MOU terms for 2010 and following.

Wages: The Union rejects entirely providing only lump sum payments excluded from base pay. The Union has proposed as its "bottom line," cutting in half the standard 5% steps as set forth in the MOU Appendix C salary grid range to 2.5%. Employees in the salary range and not "topped out" will received on anniversary dates in 2009, assuming a "meets requirements" or better performance rating, a half-step approximating 2.5% in base pay. Long-term employees who are currently at or above the range maximum will receive no in-base adjustment but, in lieu thereof, will receive a 3% lump sum payment on anniversary dates assuming a "meets requirements" or better performance rating.

Holidays: The Lincoln Birthday holiday will be eliminated in 2010. In return, the State Bar expands what are currently half-day holidays on Christmas Eve and New Year's Eve to full day holidays. These are nonproductive work days due to the holiday season. In return for expanding these half-day holidays to full days, the State Bar gains a full productive work day in February consistent with what is the federal standard that recognizes Washington's and Lincoln's Birthdays jointly on President's Day. Currently, the State Bar, like the State of California, observes President's Day as well as Lincoln's Birthday.

Health Care: The State Bar renews for 2009, its existing health care benefit coverages. The State Bar and bargaining unit employees split the premium cost for health care 20%(employee)/80%(State Bar). The State Bar was able to negotiate beneficial renewal rates for 2009 resulting in budget savings for 2009 from what had been projected when the budget was adopted in August 2008. Because of the increasing number of employees who are "topped out" and who will not see an in-base adjustment in their salary, the State Bar will reimburse the incremental 2009 increase employees will see in their health care premiums deduction from salary, but only for 2009. This is a minimal cost ranging between \$1.00 and \$33.00 per month per employee. The State Bar pays 100% of the health care premium costs for Executive Staff and Confidential Employees.

Transit Reimbursement: The maximum commute/transit reimbursement amount of \$100 was increased to \$120 consistent with the Internal Revenue Service standard.

Increasing this cap consistent with IRS standards is a total annual cost of less than \$5,000.00.

Retiree Health: Bargaining unit employees have no retiree health coverage at the State Bar. In 2009, a joint Union-Management Task Force will study potential options by which bargaining unit employees might obtain retiree health coverage at little or no cost to the State Bar of California. High deductible and employee funded options will be studied.

Layoffs: In return for the Union accepting wages less than the standard 5% steps budgeted by the Board in August 2008, the State Bar will not effectuate layoffs in 2009. The State Bar reserves the right to offer a voluntary incentive separation program as well as to notice layoffs in 2009 to be effectuated thereafter.

Vacation: The maximum cap on vacation accrual rates for bargaining unit employees was increased from 30 to 40 days. Currently, only about 10% of bargaining unit employees are approaching the 30 day maximum cap. As a result, extending it to 40 days is not a material budget impact.

Exempt Status/Comp Time: A pilot program begun last year, by which employees "exempt" from overtime are treated as truly exempt from timecard monitoring in return for the elimination of "comp time," is expanded to all attorneys in the Attorney Bargaining Unit and the majority of the employees in the General Unit with some exceptions. The elimination of "comp time" will have a favorable budget impact.

Alternative Work Schedules (AWS): The existing AWS program, which is not an entitlement but is at the discretion of management, will include the possibility of a four day work week and telecommuting, dependent upon the work needs of the office involved and the State Bar as a whole.

Probationary Periods: Probationary periods, which are currently three months to six months in the General Unit and twelve months in the Attorney Unit, will no longer be extended for probationary employees. Employees who do not satisfactorily complete their probationary period will be separated at the end of that period rather than given more time to demonstrate satisfactory performance.

Personnel Files: It is clarified that an employee's written response to a disciplinary or other issue will be placed in the employee's personal file upon request.

Discipline: It is clarified that formal discipline shall mean a written warning or something more severe. Oral warnings are treated as non-disciplinary counselings.

Part Time Status: The State Bar will report to the Union changes in bargaining unit employee part-time status.

Contracting: The State Bar will subject contractors doing bargaining unit work to the same term restrictions that apply to temporary employees, i.e., 90 days without limitation, 180 days when the underlying position is under recruitment.

Performance Evaluations: If a bargaining unit employee's manager fails to timely complete the employee's annual performance evaluation within 60 days of its due date, the employee is "deemed" to "meet requirements" under the terms of the MOU.

Bilingual Differential: Language changes are made which have no fiscal nor operational impact.

Holidays: The State Bar will "observe" holidays rather than "celebrate" holidays.

Bereavement Leave: Bereavement leave is allowed not only for attending to the funeral of a qualified decedent, but also to attend to the decedent's affairs.

Paid Personal Days: It is clarified that the existing allocation of two paid personal days per year is to be used for absences from work for personal reasons and not as vacation.

Expense Reimbursement: Language changes are made which have no fiscal nor operational impact.

Retroactivity: The terms agreed upon will be effective retroactively to January 1, 2009 and run through December 31, 2009. Negotiations will reopen on 2010 terms upon the Union's demand.

Dress: The State Bar will meet and confer with the Union over the development of workplace dress standards for the State Bar.