

APPENDIX Q

Clerical Unit
December 15, 2005

SIDELETTER
JOINT COMPENSATION COMMITTEE

1. Commencing no later than February 15, 2006, the parties agree to meet and confer regarding the distribution of the remaining equity money following the across-the-board increases for 05-06. If no agreement is reached after two meetings of the parties, the parties agree that the State Mediation Service will meet with the parties to facilitate resolution.

2. The parties agree to meet and confer no later than May 15, 2006 regarding the distribution of the remaining equity money following the across-the-board increases for 06-07. If no agreement is reached after two meetings of the parties, the parties agree that the State Mediation Service will meet with the parties to facilitate resolution.

3. If for either year (05-06 or 06-07) the parties request the services of the State Mediation Conciliation Services in accordance with paragraph 1 and/or 2 above, and are still unable to reach an agreement regarding distribution of the equity amounts, the issues of the equity distribution shall be submitted to a three member panel. The sole issue before the panel shall be the method of distribution of the remaining equity amounts for each campus/medical center.

The panel shall consist of one member selected by the University, one member selected by CUE, and a neutral member selected from the CX Northern panel of arbitrators. The process for selecting the neutral shall be the process set forth in Article 3, Section C of the Clerical Memorandum of Understanding including the process for selection when the parties are unable to agree on the selection of an arbitrator. The decision of a majority of the panel shall be final and binding upon the parties.

4. For 2006-07 the determination of the .25% equity remaining for distribution, after the ½ step salary increase for Library Assistants, shall be calculated using the January 2006 CX base salaries paid (including paid leave). The University shall provide CUE with the annualized Clerical base salaries using January base salaries for each campus/medical center no later than April 1, 2006.

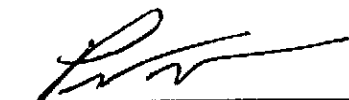
5. Further, and no less than quarterly thereafter, unless the parties agree otherwise, the parties agreed to meet and discuss salary surveys, compensation methodologies, issues raised in the Mercer report, and additional funding for staff salaries, if any. The parties agree that a primary purpose of these meetings is to prepare the parties for successor negotiations.

6. Said meeting(s) shall not obligate the University to modify its compensation programs (Article 45, Wages) and/or any other provision of this contract related to compensation except as set forth in Paragraphs 1 and 2 above.

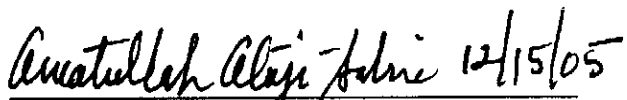
7. The University will provide release time for up to four (4) Clerical Unit employees, but no more than one per campus. Release time shall be without loss of straight time pay and shall not count towards calculation of overtime/ancillary pay.

For the University:

For CUE:



Peter Chester
Chief Negotiator
University of California



Amatullah Alaji-Sabrie
Chief Negotiator
CUE