SIDELETTER
RX/TX LABOR/MANAGEMENT COMPENSATION EVALUATION COMMITTEE

The University and UPTE-CWA hereby agree to meet to discuss issues related to compensation costs and bargaining unit data for the RX unit and for the TX unit. The purpose of these respective meetings is to:

a. Separately compare the contractually agreed upon across the board and step increases for the respective bargaining unit as a whole to the actual cumulative annual cost for these increases in each fiscal year of agreed upon compensation increases in the 2004-2008 contracts on the respective bargaining units at each campus/medical center;

b. mutually identify and agree on standards for analyzing and reporting bargaining unit(s) salary data across UC campuses/medical centers;

c. estimate the value of turnover savings or costs; and

d. mutually agree on timing and contents of joint communications to the bargaining unit members about the results of the meetings.

These meetings will occur beginning no later than four months from the effective date of the contract and will be conducted on a schedule mutually agreed upon by the parties through the expiration of the contract in order to fulfill the express purposes above. At the initial session, the parties will set ground rules for subsequent meetings and will consider advice about the project from a mutually agreed upon compensation consultant who will participate as the parties mutually determine throughout the process. The compensation consultant will be agreed upon before the meetings begin. The fees for such consultant, if any, will be shared equally by the parties.

The University and UPTE may each designate up to three individuals to attend the aforementioned meetings. Bargaining unit members designated by the UPTE-CWA shall receive paid release time and reasonable travel time according to the current contract to attend the meetings. No more than one representative will attend from a single campus (hospital or campus). Only one bargaining unit member from each location shall be entitled to paid release time. There will be at least one member of the affected bargaining unit participating on behalf of the union. Either party, upon notice to the other, can schedule or request an expert to attend a work session of this committee.

For the University:

S Nielsen 1/13/06

Shelley Nielsen — Date
Chief Negotiator
University of California

For UPTE:

1-10-2006

Rodney Orr — Date
UPTE