



OFFICE OF THE VICE PRESIDENT

Please read this very important letter carefully.

June 4, 2009

Dear CWA Member,

As a result of the worst recession since the 1930s, New Jersey's revenues have dropped by 25%. The April 15th income tax revenues were 42% lower than last year's. The economic recession is real and the threat of job loss to thousands of our members is also real. CWA has been negotiating with the Corzine Administration in order to prevent the layoff of thousands of our members and to address the issue of unilateral furloughs and the possibility of losing our contractual wage increases and increments at a time when the New Jersey Legislature and Governor are closing a \$9 billion shortfall in order to enact the State Budget.

The CWA Bargaining Committee has negotiated an Agreement with the Corzine Administration. The Agreement maintains the integrity of the Collective Bargaining Agreement, it treats all of our members equally, and in doing so provides for job security for our members.

What follows is a Summary of the Agreement:

Wage Deferral:

We will defer the July 1, 2009 3.5% raise until January 2011. We will receive the July 1, 2010 raise on time as well as all scheduled increments.

No Layoffs:

There will be No Layoffs of any CWA represented workers from the date of ratification of this Agreement at least until January 1, 2011. **(The Layoff Plans submitted to the Civil Service Commission laying off thousands of workers, and causing the bumping and demotions of thousands of others will be void upon ratification of this agreement.)**

The Department of Children and Families will rescind its current plans to close the Regional Day Schools and there will be no layoffs of those workers consistent with

this Agreement. There will be a committee set up to explore the future of the Regional Day Schools and CWA will be represented on the committee.

Violation of No Layoff Pledge:

If any worker is laid off between now and January 1, 2011, in violation of this No Layoff Pledge, *all workers* will immediately get the 3.5% increase that was deferred. In addition, anyone actually laid off in violation of this No Layoff Pledge will be placed in the "Displaced Worker Pool" for 2 months. (The No Layoff pledge does not apply to workers who are fired for disciplinary reasons, failing a working test period, or terminated for cause. The No Layoff Pledge does not include Temporary Employment Services or contracted workers. The State agrees to reduce the number of these workers.)

In addition, if any worker is laid off in violation of this pledge, the furloughs *for all workers* will end proportionate to when the violation occurred.

No Diminution of Pension Benefits:

There will be no loss of any pension benefits due to the Wage Deferral or any furloughs. Pension benefits will be calculated as if there was no wage deferral or furloughs.

Furloughs:

Between now and June 30, 2010, every worker will take 10 furlough days (including the May 2009 furlough day.) Two of the furlough days will be the day after Thanksgiving in 2009 and Lincoln's Birthday in 2010. The rest of the furlough days will be self-directed (you work out when you will take them with your supervisor). If you work in a 24/7 operation or have to work on the day after Thanksgiving and/or on Lincoln's birthday, those days will be treated just as they are now (a work day and a holiday) and you will choose 2 other days to be self-directed furlough days.

In 2010, the day after Thanksgiving will be a paid day off and Lincoln's Birthday in 2011 will not be a holiday.

There will be no other furloughs other than these 10 days of furloughs through to June 30, 2011. If there are any other furloughs in violation of this agreement, workers will be paid for any additional furlough days.

Paid Leave Bank:

All workers will receive a Paid Leave Bank (PLB) of 7 days which can be carried over if the days are not used. There are no limits on the carry over and if you don't use the days, you will get them cashed out when you leave or retire from State service. The days in the PLB will be accrued as follows: one day accrued June 30, 2009, one day accrued June 30 2010, and one day accrued for every 2 furlough days taken, totaling 7 days altogether.

Union Dues Holiday:

Union dues will not be charged for involuntary furlough days. However, because of the CWA dues structure (charged annually) and because of the inflexibility of the State's payroll system, we are going to eliminate the dues for all 10 of the furlough days together so that there will be a whole pay period where you don't pay union dues, instead of eliminating the dues for each furlough day individually. Therefore there will be no union dues paid during the first pay period in December, making up for all 10 furlough days.

Civil Service Furlough Rule:

The Civil Service Furlough Rule will be rescinded and there will be a Study Commission which CWA will be a part of which will study negotiated alternatives to layoffs.

Temporary Workers:

Currently there are over 5,000 workers employed by the State as Temporary Employment Services. Approximately half of those workers are temporary seasonal workers or are employed for temporary projects. Approximately 1000 other TES workers are DYFS workers engaged in special response work overtime (SPRU). That is an appropriate use of TES. However, there are another 2000 or so TES workers who are really working in what should be full or part time jobs in State bargaining units. CWA estimates that about 500 - 1000 of those workers belong in our bargaining units as full-time or part-time workers. There will be an audit of the use of Temporary Employment Services and the conversion of some of the TES workers and we will get the results of that audit so that we can take action to get inappropriate TES positions converted or eliminated. The State agrees to achieve savings by reducing the use of TES.

Contracted Temps:

Contracted temps cost won't be used to erode CWA's bargaining units. Within 90 days of the Agreement, the State will cancel the Hobart Temp contract with DCF and all contracts for clerical temporary services at the Department of Law and Public Safety. Within 180 days of the Agreement the State will reduce the use of contracted clerical and administrative contracts by 25%. Contracts for temporary nursing services will be reviewed to determine whether temporary nursing services are being used appropriately and to make sure that bargaining unit work is not being eroded.

Side Letter 42:

The State will implement Side Letter 42, which provides for hiring engineering and design work within DOT instead of contractors. This will provide significant savings to the State. Within 60 days the State will replace at least 50 contracted inspectors with State employees and within 90 days the State will develop a schedule for the complete implementation of Side Letter 42.

State College and University Committee:

The State will establish a Committee to review spending, tuition and costs at the nine state colleges and universities. The composition of the panel will include, but not be limited to, representatives from each of the colleges and universities and from the unions representing state college and university employees.

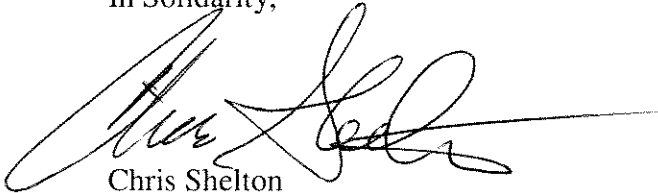
Ratification of MOA:

We are arranging for a membership ratification vote on this Agreement shortly. The ratification will be conducted by the American Arbitration Association using a secure telephone voting system and details of how to participate will be sent to our members shortly.

Thank you for your patience. The State Worker Bargaining Committee did a fantastic job and worked countless hours and I thank them.

No one wants to see a wage deferral or furloughs. This agreement, however, protects the integrity of the wage rates in our contract, provides for equal and shared sacrifice, and most importantly, protects the jobs of our members in these difficult times.

In Solidarity,

A handwritten signature in black ink, appearing to read "Chris Shelton", with a long horizontal flourish extending to the right.

Chris Shelton
District 1 Vice President