

MEMORANDUM OF AGREEMENT
BARGAINING UNIT 01
EFFECTIVE JULY 1, 2011 TO JUNE 30, 2013

This MEMORANDUM OF AGREEMENT is made and entered into on this 28th day of November, 2011 by and between the United Public Workers, AFSCME, Local 646, AFL-CIO, hereinafter referred to as the "UNION" and the State of Hawaii, the Hawaii Health Systems Corporation, the Judiciary, the City and County of Honolulu, the County of Hawaii, the County of Maui, and the County of Kauai, hereinafter referred to as the "EMPLOYER," as defined in HRS 89-6.

I. Salary Schedule

The BU 01 salary schedule in effect on June 30, 2009 shall remain in effect through June 30, 2013.

II. Directed Leave Without Pay (DLWOP)

Effective December 1, 2011 through June 30, 2012, BU 01 Employees shall be placed on DLWOP from zero (0) up to fourteen (14) days, with a corresponding pay adjustment for each day of DLWOP, as determined by the following:

- The governor in the case of all UPW State of Hawaii executive branch Employees, except Employees of the department of education, the University of Hawaii, the Hawaii Health Systems Corporation, and Hawaii State Public Library System,
- The respective mayors in the case of BU 01 Employees of the counties,
- The chief justice of the supreme court in the case of BU 01 Employees of the Judiciary,
- The board of education in the case of BU 01 Employees of the department of education and the Hawaii State Public Library System,
- The board of regents in the case of BU 01 Employees of the University of Hawaii, and
- The Hawaii Health Systems Corporation Board in the case of BU 01 Employees of the Hawaii Health Systems Corporation.

Effective July 1, 2012 through June 30, 2013, BU 01 Employees shall be placed on DLWOP from zero (0) up to thirteen (13) days, with a corresponding pay adjustment for each day of DLWOP, as determined by the following:

- The governor in the case of all UPW State of Hawaii executive branch Employees, except Employees of the department of education, the University of Hawaii, the Hawaii Health Systems Corporation, and Hawaii State Public Library System,
- The respective mayors in the case of BU 01 Employees of the counties,
- The chief justice of the supreme court in the case of BU 01 Employees of the Judiciary,

- The board of education in the case of BU 01 Employees of the department of education and the Hawaii State Public Library System,
- The board of regents in the case of BU 01 Employees of the University of Hawaii, and
- The Hawaii Health Systems Corporation Board in the case of BU 01 Employees of the Hawaii Health Systems Corporation.

The above-listed individuals or entities will develop their schedules for DLWOP. The attached DLWOP Implementation Plan (See Exhibit I) shall be implemented for all entities for the contract period July 1, 2011 through June 30, 2013.

Other issues pertaining to implementing DLWOP shall be at the discretion of the above-listed individuals or entities, with the understanding that the EMPLOYER shall notify the UNION of any changes to departments' DLWOP schedules and provide an opportunity for comment from the UNION.

III. Quarterly Meetings on the State's Financial Picture

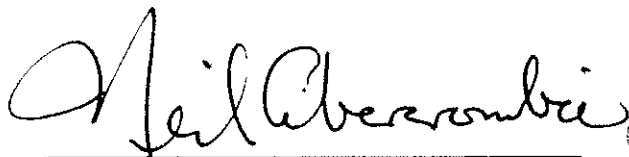
The EMPLOYER will meet with the UNION on a quarterly basis to provide information on the State's financial picture.

This Agreement may be signed in separate counterparts, and/or via facsimile, each of which shall be deemed to be an original, and all of which taken together shall constitute one and the same instrument.

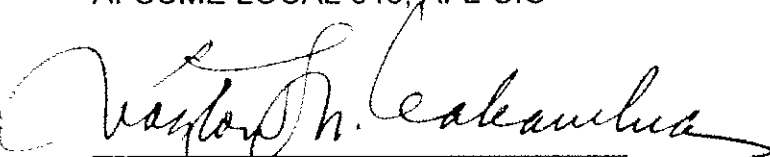
IN WITNESS WHEREOF, the EMPLOYER and the UNION, by their authorized representatives have executed this MEMORANDUM OF AGREEMENT.

STATE OF HAWAII

UNITED PUBLIC WORKERS,
AFSCME LOCAL 646, AFL-CIO



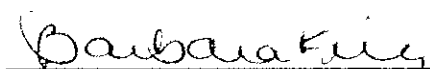
Governor



State Director

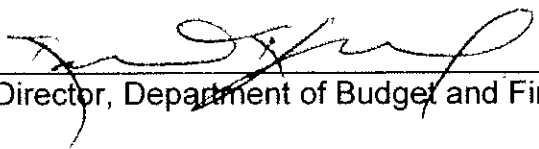


Chief Negotiator, Office of Collective Bargaining



Director, Department of Human Resources Development

Dated 11/9/11



Director, Department of Budget and Finance

COUNTY OF HAWAII

Mayor

Human Resources Director

COUNTY OF MAUI

Mayor

Human Resources Director

COUNTY OF KAUAI

Mayor

Human Resources Director

CITY AND COUNTY OF HONOLULU

Mayor

Human Resources Director

HAWAII HEALTH SYSTEMS CORPORATION

President and Chief Executive Officer

Vice President for Human Resources

JUDICIARY

Administrative Director of the Courts

Human Resources Director

APPROVAL AS TO FORM:

Deputy Attorney General

EXHIBIT I

DIRECTED LEAVE WITHOUT PAY (DLWOP) IMPLEMENTATION PLAN UPW BARGAINING UNIT 1

I. INTRODUCTION

The Employer has entered into a MEMORANDUM OF AGREEMENT (MOA), dated 11/28/11, which allows the Employer to place Bargaining Unit 1 employees on a Directed Leave Without Pay (DLWOP). For the purposes of this plan, DLWOP is defined as the placement of an Employee temporarily and involuntarily on a non-pay and non-duty status because of lack of funds. Such placement is in increments of one eight-hour day.

The DLWOP plan applies to Employees who are members of UPW Bargaining Unit 1.

II. IMPLEMENTATION

1. DLWOP days shall be effectuated by placement of Employees on non-pay, non-duty status with a corresponding pay adjustment by means of a mandatory salary waiver equivalent to the number of days of DLWOP.
2. From December 1, 2011 to June 30, 2013 the Employer may implement DLWOP subject to the following terms and conditions:
 - a. DLWOP in itself shall not cause or deem to cause:
 - (1) A break in service;
 - (2) A change in the amount of vacation or sick leave earned by the Employee;
 - (3) A decrease in the Employee's creditable service for purposes of computing retention points and service anniversary dates;
 - (4) Any change in the Employee's salary rate; and
 - (5) A change in any right, privilege or benefit that the Employee is entitled to or would have entitled to by law but for the DLWOP.
 - b. All Employees may be placed on DLWOP for a total of up to 27 days over the 2011-2013 fiscal biennium. A total of up to 14 days may be taken during the 2011-2012 fiscal year, effective December 1, 2011 through June 30, 2012, and up to 13 days during the 2012-2013 fiscal year effective July 1, 2012 through June 30, 2013.

- c. Effective December 1, 2011 the compensation of all affected Employees shall be adjusted, in even increments, each pay period to account for a total of up to 14 DLWOP days for the 2011-2012 fiscal year and up to 13 DLWOP days for the 2012-2013 fiscal year.
 - d. Full-time Employee's pay will be adjusted one eight-hour day for each DLWOP day. Part-time Employee's pay will be adjusted in accordance with the appropriate full-time equivalency.
 - e. Employees shall not be permitted to substitute vacation, sick, compensatory time-off, or any paid leave for the DLWOP day(s).
 - f. Sick Leave, Vacation Leave, Over-time pay, Temporary Assignment, and leave without pay will be calculated at the June 30, 2009 salary schedule rate.
 - g. When an Employee is required to report to work on the Employee's scheduled DLWOP day off, the Employee shall be paid overtime. In addition, the DLWOP day shall not be rescheduled to a later day.
3. A Department Head or designee shall determine when Employees are to take DLWOP days based on operational needs.
 4. For fiscal year 2011-2012, Employees may be required to take the number of DLWOP days per month as follows:
 - December 2011 up to and including June 2012 may be up to 2 DLWOP days per month

For fiscal year 2012-2013, Employees may be required to take the number of DLWOP days per month as follows:

 - July 2012 up to and including May 2013 may be up to 1 DLWOP day per month
 - June 2013 may be up to 2 DLWOP days
 5. The salary schedule in effect on June 30, 2009, shall remain in effect to and including June 30, 2013.
 6. All posting requirements in Sections 25.03a and 25.03b, Work Schedules, shall be waived for the first work schedule that will be effective on or about December 1, 2011.
 7. The Union and Employer shall meet to jointly resolve unanticipated concerns related to the implementation of this plan.