

**LETTER OF AGREEMENT**

**Between**

**City of Modesto**

**And**

**Modesto Confidential and Management Association (MCMA)**

**COSMO Implementation of new Oracle Payroll System**

As part of the COSMO Oracle implementation, the City has converted to a new payroll system that accounts for time in tenths (ex. 0.10 of an hour is equal to 6 minutes). To that end, we now have a number of discrepancies within the current MOU language which needs to be addressed for application purposes of the new tenth of an hour 6 minute equivalency. Below are those Articles and the application of each:

**Article 12. Leave Usage Accruals**

All leave accrual, including the accrual of overtime, shall be recorded in tenths of an hour (i.e. 0.10 equals 6 minutes) basis. All leave usage, including use of overtime, shall be recorded and used on a tenth (0.10) of an hour basis.

**Article 14. Overtime for Non-Exempt Employees**

C. Overtime Compensation. Any employee authorized by the Department Director or authorized representative to work overtime shall be compensated at premium rates, i.e. one and one-half (1 1/2 ) times the employee's regular hourly rate of pay. Upon an employee's request, overtime may be compensated as compensatory time off (CTO). CTO shall be credited at time and one-half. Overtime and CTO shall be recorded and used on a tenth (0.10) of an hour basis.

**Article 16. Call-Back Pay for Non-Exempt Employees**

C. 2. Overtime will be applied as paying time and one-half pay for actual time worked in excess of seventy-eight (78) minutes.

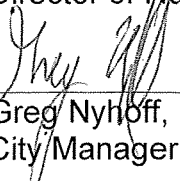
**Article 21 Sick Leave**

B. Accumulation. Employees shall accrue sick leave for each payroll period completed, prorated on the basis of ninety-six (96) hours per year at the rate of 3.077 hours per pay period.

This letter of agreement will be in effect through June 18, 2012.

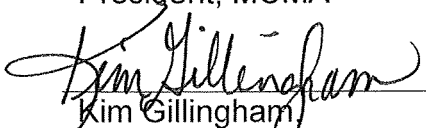
For the City:

  
Dee Williams-Ridley, Date 12/12/11  
Director of Human Resources

  
Greg Nyhoff, Date 12-12-11  
City Manager

For MCMA:

  
Laurie Smith, Date 11/29/11  
President, MCMA

  
Kim Gillingham, Date 11/29/11  
Labor Representative