



State of Missouri
OFFICE OF ADMINISTRATION

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Matt Blunt
Governor

Michael N. Keathley
Commissioner

November 21, 2007

Mr. Tom Newport, District Organizing Coordinator
Communication Workers of America, AFL-CIO
10733 Sunset Office Drive, Suite 201
Sunset Hills, MO 63127

Dear Tom,

As you know, on November 30, 2007, the twice-extended expiration date of the current agreement between CWA, Local 6355, and the state will occur. Based on our many discussions regarding the terms of a new agreement, it is clear that a further extension is unlikely to produce a positive result. Without a tentative replacement agreement between the state and the union, there will not be an agreement in effect for this bargaining unit effective December 1, 2007. I have enclosed a copy of the complete agreement encompassing the state's most recent proposals on all of the items that remain outstanding with one noted exception in Article 9, Employee Grievances. This will give you an opportunity to obtain an agreement covering the bargaining unit.

During our last meeting on November 14, we discussed at length your proposal to adopt third-party binding arbitration as the means for resolving disputes regarding the enforcement, validity or applicability of this agreement. I clearly stated to you that the state cannot accept a proposal that imposes new costs on the state or turns management's decision-making ability over to a third party. You asked whether the state would consider a proposal for a dispute resolution process that did not impose costs on the state or engage a third party. I responded that we would, at which time we temporarily adjourned the meeting to afford you the opportunity to draft such a proposal. When we reconvened approximately one hour later, you presented a proposal identical to your previous one, with the exception that you modified who would handle the arbitration. This action is a clear representation of your failure to recognize the state's interests in this process. To that end, I am offering a proposal to you that represents a modification to the State's previous position on this matter that will allow us to resolve disputes without the intervention of a third party while recognizing some of the concerns you have raised.

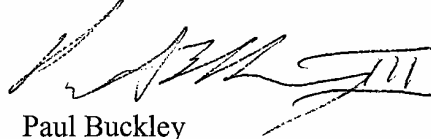
As I have described to you since the beginning of these negotiations, the state lacks authority to enter into a contract that binds the state and its citizens in a manner that expands upon the laws enacted by Missouri's General Assembly. Agreeing to your proposal to adopt third-party binding

arbitration -- or any other proposals from the union to expand upon rights and requirements established by the Legislature -- not only would violate the statutory and appropriation authority of the Office of Administration and the Department of Social Services, it would violate the fundamental principals of the separation of powers established by Missouri's Constitution.

With the above in mind, I reiterate what I have explained many times. The state's proposal regarding the enforcement, validity or applicability of this agreement serves the needs of both parties by allowing us to conduct business in a manner similar to what has worked for more than 20 years.

We have agreed to meet again on Tuesday, November 27, at 1:00 p.m. I will be prepared during this time to discuss all of the outstanding issues in the enclosed proposal. However, you should recognize that while we will discuss any proposals from the union, we are unlikely to agree to significant modifications to the enclosed language. I remind you that the absence of an agreement after November 30 will eliminate the Office of Administration's authority to deduct dues from state employees' pay checks.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Buckley", written over a horizontal line.

Paul Buckley
Assistant Commissioner

PB/sv
Cc: Jerri Denton, Personnel
Enclosures
W08028