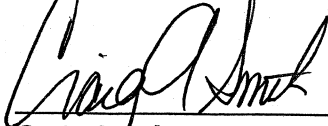


MEMORANDUM OF AGREEMENT
BETWEEN
EUGENE SCHOOL DISTRICT 4J
AND
OREGON SCHOOL EMPLOYEES' ASSOCIATION, CHAPTER 1

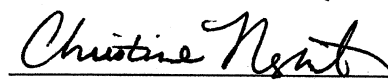
On June 15, 2010 the Eugene School District 4J and the Oregon School Employees' Association entered into a memorandum of agreement relating to furlough days. That agreement contained an "add-back" provision which stated, "In the event the District receives additional state support, federal funds, or unexpected funding from any source other than grants, one day will be added back for each \$450,000, up to a total of five (5) days." In order to resolve a dispute concerning the application of this provision, the parties agree as follows:

1. No budget reduction days will be added back during the current school year. The intention of this provision is to supersede the add-back provision of the June 13, 2010 memorandum of agreement.
2. Should the District face another mid-year funding cut during 2010-11, the Board of Directors will consider every reasonable option to avoid laying off employees this year including but not limited to the following: spending more reserves, further shortening the school year, or reducing elsewhere in the budget.
3. This agreement does not set precedent nor change any status quo conditions of the Collective Bargaining Agreement.
4. This agreement is a full and final resolution of the parties' dispute concerning the application of the add-back provision. OSEA will not grieve or otherwise dispute the District's decision of October 11, 2010 to maintain furlough days. This agreement expires June 30, 2011.
5. Upon ratification of this agreement by both parties, or earlier if the District chooses, the District will notify employees who received notices of potential layoff on or about October 12, 2010, that the notices are rescinded.

For the District

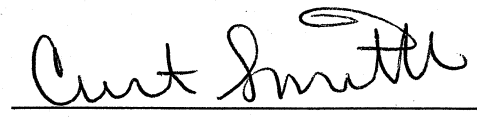


Craig Smith Date
Board Chair 11/15/10

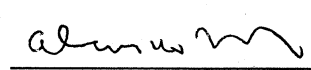


Christine Nesbit Date
Assoc. HR Director, Labor Relations 11-2-10

For OSEA



Curt Smith Date
OSEA President



Alan Brown Date
Field Representative 11/2/10