LETTER OF AGREEMENT

This Agreement is entered into by the State of Oregon, acting through its Department of Administrative Services, Labor Relations Unit (Employer), on behalf of the Oregon Department of Transportation (ODOT) and the Association of Engineering Employees of Oregon (AEE).

The purpose of this Agreement is to establish a mutually agreed process for reconciling leave balance discrepancies between TAMS (ODOT's official timekeeping system) and Workday Payroll.

In order to protect existing TAMS data during the transition, ODOT elected not to immediately integrate leave balance files from Workday into TAMS. As a result, discrepancies may exist between Workday and TAMS due to rounding differences, calculation variances between the two systems, and some manual processing differences. The Parties further recognize that employees have historically relied on TAMS for leave information and should not be disadvantaged by discrepancies caused by the Employer's systems, conversion decisions, or reconciliation process.

Therefore, the Parties agree to the following:

1) **Scope of Reconciliation.** ODOT Payroll will conduct a reconciliation process by completing a side-by-side comparison of leave balances in Workday and TAMS. The reconciliation will be conducted separately for each leave bank, including but not limited to vacation, sick leave, compensatory time, straight time, Governor's leave, and any other accrued or banked leave category reflected in either system.
2) **Pending Leave.** Before any adjustment is made, ODOT will account for all leave earned, leave used, pending leave requests, approved future leave, manual adjustments, corrections, and any other transaction that may affect the apparent balance in either system. ODOT will not treat a timing difference between TAMS and Workday as an actual discrepancy.
3) **Official Record for Leave Balances.** Upon completion of the reconciliation, Workday Payroll will be the official system of record for employee leave balances. TAMS will

continue to be used for time entry, leave requests, scheduling, approvals, and any other current operational purposes. ODOT bears the burden of establishing, through documentation, that any proposed reduction to an employee's leave balance is accurate.

4) **Discrepancies of Eight Hours or Less.** For each leave bank, if the discrepancy between Workday and TAMS is eight (8) hours or less (positive or negative), the employee will receive the benefit of the higher balance and leave balances will be adjusted as follows:
    a. If Workday reflects the higher leave balance, Workday will remain the official balance and TAMS will be updated to align with Workday.
    b. If TAMS reflects the higher balance,, Workday will be adjusted upward to match TAMS.
5) **Discrepancies Greater than Eight Hours.** For each leave bank, if the discrepancy between Workday and TAMS exceeds eight (8) hours (positive or negative), ODOT will:
    a. Conduct a full audit before any adjustment is made. The audit will begin with the employee's leave balances from the Oregon State Payroll Application (OSPA) at the time of Workday Payroll implementation and will include all leave earned, used, transferred, donated, restored, or cashed out thereafter.
    b. If the audit shows the employee is owed leave, ODOT will credit the full amount owed to the employee's Workday leave balance.
    c. If the audit shows the employee was overcredited leave, ODOT will absorb the first eight (8) hours of any overcredit in each affected leave bank. No reduction above eight (8) hours may be made unless ODOT provides the employee and AEE with documentation sufficient to verify the basis for the reduction.
6) **Notice to Employee and AEE.** ODOT will provide AEE with the calculations of leave balance discrepancies and, before making any adjustment, will provide each affected employee and AEE written notice.
    a. For discrepancies of greater than eight (8) hours, the written notice will include:
        i. the leave bank or banks at issue;
        ii. the TAMS balance and Workday balance;
        iii. the snapshot date used;
        iv. a detailed explanation of the discrepancy;
        v. whether any pending or approved leave was included; and

vi. the proposed reconciled balance.

7) **Right to Full Audit.** An employee may request a full audit regardless of the discrepancy amount. Identified employees will have thirty (30) calendar days from receipt of the notification described above to request a full audit. If the employee requests a full audit, leave balances will be adjusted based solely on the results of the full audit, and the eight (8)-hour threshold will not apply.

8) **Enforcement.** This Agreement is enforceable through the grievance and arbitration procedure in the parties' collective bargaining agreement.

9) **Duration.** This Letter of Agreement will go into effect upon final signature below. It will remain in effect until all reconciliations, audits, grievances, arbitrations, and required corrections under this Agreement are fully completed.

FOR THE EMPLOYER:

Nettie Pye
09/25/2026

Nettie Pye — Date
Interim State Labor Relations Unit Administrator
DAS CHRO, LRU

FOR AEE:

Karen N Scott

Karen N Scott — 9/27/2026
AEE — Date