

DEPARTMENT OF PERSONNEL ADMINISTRATION

OFFICE OF THE DIRECTOR
1515 "S" STREET, NORTH BUILDING, SUITE 400
SACRAMENTO, CA 95811-7258



June 27, 2012

The Honorable Mark Leno
Chair, Joint Legislative Budget Committee
1020 N Street, Room 553
Sacramento, California 95814

Re: *Tentative Agreements for: Bargaining Unit 7, the California Statewide Law Enforcement Association (CSLEA) and Bargaining Unit 10, the California Association of Professional Scientists (CAPS)*

Recently, the Department of Personnel Administration reached new tentative agreements with the unions representing Bargaining Unit 7, CSLEA, and Bargaining Unit 10, CAPS. These agreements will be addenda to the current memoranda of understanding. In accordance with Government Code Section 3517.63(b), these addenda are being submitted for the Committee's information.

In a common effort to assist the State in achieving 2012-2013 budget savings both bargaining units have agreed to the provision known as the Personal Leave Program of 2012 (PLP 2012). This compensation reduction program is equal to an eight hour reduction in pay in exchange for a day off each month, and shall remain in effect for 12 months. Both agreements are effective July 1, 2012, and contain salary savings. However, because each of these bargaining units has its own distinct operational provisions, an individual summary for each agreement is attached.

In total, these agreements represent a savings of approximately \$31.4 million.

The tentative agreements and their summaries can be found by going to the following link:
<http://www.dpa.ca.gov/bargaining/contracts/index.htm>.

If you have any questions, please contact Jodi LeFebre, Legislative Affairs at (916) 323-8490.

Sincerely,

A handwritten signature in black ink, appearing to read "Julie Chapman".

Julie Chapman
Acting Director

Attachments

cc: Members, Joint Legislative Budget Committee
Peggy Collins, Principal Consultant, Joint Legislative Budget Committee
David Lanier, Legislative Deputy, Office of Governor Brown
Mac Taylor, Legislative Analyst, Office of the Legislative Analyst

ecc: Marianne O' Malley, Director Gen. Government Office of the Legislative Analyst	Maureen Ortiz, Consultant Senate Appropriations Committee
Nick Schroeder, Consultant Office of the Legislative Analyst	Geoff Long, Chief Consultant Assembly Appropriations Committee
Richard Gillihan, Asst. Program Budget Manager Department of Finance	Roger Dunstan, Consultant Assembly Appropriations Committee
Craig Cornett, Chief Fiscal Policy Advisor Office of the Pro Tem	Pamela Schneider, Consultant Senate PE&R Committee
Charles Wright, Chief Consultant Office of the Pro Tem	Karon Green, Chief Consultant Assembly PER&SS Committee
Chris Woods, Budget Director Office of the Speaker	Gary Link, Consultant Senate Republican Caucus
Greg Campbell, Chief Consultant Office of the Speaker	Terry Mast, Consultant Assembly Republican Caucus
Seren Taylor, Staff Director Senate Republican Fiscal Office	Alene Shimazu, Chief Fiscal Analysis, DPA
Chantele Denny, Consultant Senate Republican Fiscal Office	Pam Manwiller, Acting Deputy Chief Labor Relations, DPA
Anthony Archie, Consultant Assembly Republican Fiscal Office	Andres Mejia, LRO Labor Relations, DPA
Peter Schaafsma, Staff Director Assembly Republican Fiscal Office	Cindie Fonseca, LRO Labor Relations, DPA
Keely Bosler, Staff Director Senate Budget Committee	
Kris Kuzmich, Consultant Senate Budget Committee	
Christian Griffith, Staff Director Assembly Budget Committee	
Mark Martin, Consultant Assembly Budget Committee	
Bob Franzoia, Staff Director Senate Appropriations Committee	

MANAGEMENT Counterproposal
June 27, 2012

This agreement is a Side Letter to the current Memorandum of Understanding (contract), entered into by the State of California (State or State Employer) and the California Association of Professional Scientists (CAPS). The purpose of this Side Letter is to assist in effectuating 2012-2013 Budget Savings to State employee compensation, as mandated in the State Budget and related legislation ~~and to continue to promote harmonious labor relations between the State and the Union.~~
The State Employer and the Union do hereby agree as follows:

1. Supersession: In reaching agreement on this Side Letter, the parties agree and confirm that they have, through negotiation, superseded any and all articles of the parties' contract that are in conflict with the terms and conditions of this Side Letter.

2. Term: The Term of this Side Letter Agreement will be effective July 1, 2012 through June 30, 2013.

Each full-time employee's monthly pay shall be reduced by 4.62%.

- a. This reduction shall not affect transfer determinations between state civil service classifications.
- b. Compensation for purposes of retirement, death, and disability benefits shall not be affected by this reduction and shall be based on the unchanged salary rate.
- c. Service calculation for purposes of retirement allowances shall be based on the amount of service that would have been credited based on the unchanged salary rate.
- d. Part-time employees shall be subject to the pay reduction on a pro-rated basis consistent with their time base.

Employees will be subject to the Personal Leave Program (PLP) for twelve consecutive months. Each full time employee shall continue to work his/her assigned work schedule. Each full time employee shall be credited with eight (8) hours of PLP on the first day of each pay period commencing July 2012 for twelve (12) consecutive pay periods.

PLP 2012 must be used in the month in which it is earned; PLP 2012 shall be requested and used by the employee in the same manner as vacation or annual leave. If the employee has not submitted a PLP 2012 leave request by the 20th of the month in which PLP 2012 is accrued, such time shall be scheduled by his/her supervisor. When this is not operationally feasible, PLP 2012 shall be used before any other leave, except sick leave. The terms of this PLP will be subject to the same terms as the Article 3.20 Personal Leave Program 2011 in the CAPS Bargaining Unit 10 MOU.

6/27/12
CF
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RK
CC
JG
JN

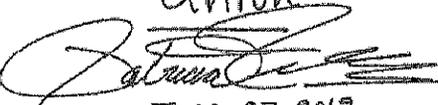
CB
dy
JB
MMG

PLP Acceleration. Employees may elect to accelerate the pay reduction and the corresponding unpaid days off by accruing up to three (3) days per month, with the corresponding pay reduction, not to exceed twelve (12) days for the 2012-2013 fiscal year. Beginning August 2012, employees may elect to participate in the Accelerated PLP program. This means that consistent with Section 3.20 of the CAPS MOU, employees may elect to accrue PLP up to three (3) days per month with corresponding monthly pay reduction for PLP (i.e. three (3) would be a pay reduction of 13.85%). Such an election shall be made no later than August 15, 2012 and is irrevocable. The alternative accrual plan must be conducted within consecutive months and must commence no later than August 1, 2012 pay period.

Telework Incentive. The State and CAPS recognize that telework can be an effective means to mitigate the fiscal and environmental impact of this salary reduction. Requests to telework shall be submitted in writing to the employee's appointing power, and shall result in a written response within 30 calendar days of submission. Telework requests shall be considered pursuant to Article 7.10 of the CAPS MOU. The State and CAPS recognize that the January 2010 Model Telework Policy is effective for all the appointing authorities of state scientists, with the exception of CalEPA's boards, departments and offices. For CalEPA scientists, the CalEPA telework policy is operative.

Voluntary Personal Leave. Employees currently enrolled in the Voluntary Personal Leave Program (VPLP) will have the ability to opt out of VPLP during the month of July 2012.

Classification Committee. The State agrees to commit at least one full-time classification specialist to support the Joint Labor Management Committee described in Article 17.4 of the CAPS MOU. The purpose of the committee's work shall be to maximize the ability of the State to recruit and retain scientists. The Committee shall endeavor to make substantive joint recommendations for adoption by the State Personnel Board no later than March 30, 2013.

Union

June 27, 2012


6-27-12

John Budhoe
6/27/12


6-27-12

Martin Beckwith
6/27/12

Management


6-27-12


6-27-12

Ray Kelly 6/27/12
Chin-Late Clark 6/27/12


Teresa Navarrete

Department of Personnel Administration
 Bargaining Unit 10
 California Association of Professional Scientists (CAPS)
 2012 Side Letter Agreement
 (Savings) / Cost
 (Dollars in Thousands)

CBID	2012 Side Letter Agreement *			2012-13			2013-14			Total Incremental			Total Budgetary		
	Costing Proposal	Eff Date		GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total
R10	Personal Leave Program	7/1/2012		(\$2,021)	(\$8,780)	(\$10,801)				(\$2,021)	(\$8,780)	(\$10,801)	(\$2,021)	(\$8,780)	(\$10,801)

R10	Statutory and/or Existing Contract Adjustment **	2012-13			2013-14			Total			Total		
		GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total
	Health, Dental, Vision Increases	\$206	\$896	\$1,102	\$353	\$1,533	\$1,886	\$559	\$2,429	\$2,988	\$765	\$3,324	\$4,090
	3% SSA @ Max				\$1,050	\$4,561	\$5,611	\$1,050	\$4,561	\$5,611	\$1,050	\$4,561	\$5,611
	Additional Employee Contribution to Retirement Due to SSA @ Max				(\$54)	(\$234)	(\$288)	(\$54)	(\$234)	(\$288)	(\$54)	(\$234)	(\$288)
	Total	\$206	\$896	\$1,102	\$1,349	\$5,860	\$7,209	\$1,555	\$6,755	\$8,311	\$1,762	\$7,651	\$9,413

* Included in the budget as of 2012-13 May Revision.
 ** These numbers are for informational purposes only. The 2012-13 numbers are included in the current budget. The out-year numbers will be included in future budgets.
 2012 and 2013 Health rates are based on Actuals
 2013 Dental and Vision rates are based on a 0% growth per Benefits