

Most Favored Nations

June 7, 2012

Proposed by : State of California

TA Team memo
JND

12:45 pm
passed
June 7, 2012

- A. In the event another state bargaining unit receives economic provisions which exceed the provisions of the 2012 MOU amendments to the Bargaining Unit 5 contract, the CAHP will be offered the opportunity to meet and confer in good faith and discuss similar or equivalent increases.
- B. If any state bargaining unit negotiates a Personal Leave Program or other salary reduction program at a rate of less than eight (8) hours per month, or with other less-restrictive requirements on the program than that negotiated by the Bargaining Unit 5, the CAHP shall be offered those same provisions.
- C. If any benefit or economic improvement already contained in the Bargaining Unit 5 Agreement is provided to another state bargaining unit during the 2012 negotiations (excluding health care or specific classification changes), the CAHP will be given the opportunity to implement an economically equivalent benefit during the term of the PLP program or other salary reduction program negotiated in 2012 for twelve (12) consecutive months following implementation of the program.
- D. This Most Favored Nations only applies to the twelve consecutive months following implementation of the PLP or salary reduction program July 1, 2012 to June 30, 2013.

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2012 SIDE LETTER
AGREEMENT

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 Highway Patrolmen (Union). 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. **Personal Leave Program**

- a. Effective July 1, 2012, Each full-time employee's monthly pay shall be reduced by 4.62%.
- b. This reduction shall not affect transfer determinations between state civil service classifications.
- c. Compensation for purposes of lump sum cash outs, retirement, death, and disability benefits shall not be affected by this reduction and shall be based on the unchanged salary rate.
- d. 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.
- e. Part-time employees shall be subject to the pay reduction on a pro-rated basis consistent with their time base.
- f. Effective July 1, 2012, all Bargaining Unit 5 members shall participate in the Personal Leave Program (PLP) for a period of twelve (12) consecutive months. Each full-time employee will continue to work his/her assigned work schedule and will be credited with eight (8) hours of PLP in each of the twelve (12) consecutive months.
- g. PLP credits shall be requested and used by the employee in the same manner as vacation, annual leave or sick leave in accordance with Departmental policies and applicable contract provisions. Employees shall be encouraged to use PLP hours in the month in which they are earned. Employees shall also be encouraged to use PLP hours before any other leave, except sick leave.
- h. If any employee accumulates PLP hours under this program, these hours shall not be subject to the 816 hour leave credit cap. PLP credits earned in any prior PLP

or VPLP programs shall be kept separate from any PLP credits earned as a result of this Agreement.

- i. PLP credits may be donated or transferred to appropriate leave banks in a manner similar to the transfer of vacation or annual leave. An employee receiving the benefits of a catastrophic leave bank must first exhaust all leave credits prior to eligibility for donated leave.
- j. Employees on a leave of absence without pay shall not participate in the PLP. Employees on military leave shall not participate in PLP. Additionally, the employee's 30 calendar days of military leave compensation, or any supplemental pay provided pursuant to the military leave statutes, shall not be reduced for the purposes of PLP.
- k. Employees who are on temporary disability, industrial disability leave, non-industrial disability leave, LC 4800.5 time or involuntary leave for the entire pay period are excluded from the PLP regardless of whether or not they supplement their disability payment. Employees who are on disability for a partial month, or working while on disability, regardless of whether or not they supplement, are included in the PLP for all time not covered by the disability/supplementation. This means that employees will receive the unreduced salary for any period of disability, including supplementation, during that pay period, with the remaining days being paid at the reduced rate and will receive a pro-rated amount of PLP credit, up to eight (8) hours.
- l. Holidays are not subject to PLP if the employee is on disability for the entire pay period. However, if the employee works while on IDL or works a partial month and a holiday falls during this working time, the holiday compensation shall be subject to a PLP reduction.
- m. When separations are effective July 1, 2012 and after, lump sum payments shall be based on the employee's unreduced salary. PLP credits accrued prior to the employee's separation date shall be paid the same as vacation, based on the employee's unreduced salary.
- n. Prior to separation, any unused PLP credits can be rolled over to deferred compensation plans, within the limits of the 457 and 401K plans.
2. **24/7 operations**
 - a. Employees shall participate in a Personal Leave Program for twelve consecutive months commencing in July 2012. Each full time employee will continue to work his/her assigned work schedule and will be credited with eight (8) hours of PLP in each of the twelve consecutive months. Employees shall be encouraged to use PLP hours in the month in which they are earned. Employees shall also be encouraged to use PLP hours before any other leave, except sick leave. If an employee accumulates PLP hours under this program, these hours shall not be subject to the 816 hour cap.

3. **Contract Extension**

- a. The terms of the parties' current collective bargaining agreement shall be extended for five years from its current expiration date, to July 3, 2018.
- b. This contract extension does not change the parties' legal rights with respect to any statutory or constitutional changes affecting pensions that may be enacted after the date the parties agree to the extension.