



CALIFORNIA DEPARTMENT OF HUMAN RESOURCES

Office of the Director

1515 S Street, North Building, Suite 400
Sacramento, CA 95811
(916) 322-5193 Fax (916) 322-8379

Governor Edmund G. Brown Jr.
Secretary, Government Operations Agency Marybel Batjer
Acting Director Richard Gillihan
Acting Chief Deputy Director Pam Manwiller

August 14, 2014

The Honorable Darrell Steinberg
Pro Tem, California State Senate
State Capitol, Room 205
Sacramento, California 95814

The Honorable Bob Huff
Minority Leader, California State Senate
State Capitol, Room 305
Sacramento, California 95814

The Honorable Toni Atkins
Speaker of the California State Assembly
State Capitol, Room 219
Sacramento, California 95814

The Honorable Connie Conway
Minority Leader, California State Assembly
State Capitol, Room 3104
Sacramento, California 95814

Re: Tentative Agreement/Memorandum of Understanding (MOU) for Bargaining Unit 10, Professional Scientific, Represented by – the California Association of Professional Scientists (CAPS)

Dear Senators Steinberg and Huff, and Assembly Members Atkins and Conway:

On May 22, 2014, the Department of Human Resources (CalHR) submitted a Tentative Agreement/MOU with Bargaining Unit 10. That agreement was not ratified by union membership. CalHR has since reached a new Tentative Agreement with BU 10. Upon approval of the Legislature and the Governor, and ratification by the membership, this agreement will be effective July 2, 2013 through July 1, 2015.

This agreement again rolls over language from past agreements and makes changes primarily in the area of employee compensation. The attached Legislative Summary lists the primary contract sections that changed between the two agreements.

In accordance with Government Code Sections 3517.5, 19829.5, and Senate Rule 29.4, I am forwarding copies of this Tentative Agreement, including a legislative and fiscal summary. The Legislative Analyst will be forwarded a copy for analysis, and the Secretary of the Senate and the Clerk of the Assembly will be forwarded copies to make them noted as available for review in the daily journals.

The above mentioned Tentative Agreement and summaries can be found by going to the following link:
<http://www.calhr.ca.gov/state-hr-professionals/Pages/bargaining-contracts.aspx>

CalHR is working to secure a legislative vehicle to approve the terms of this agreement.

Respectfully,

Richard Gillihan
Acting Director

Attachments

cc: Gareth Elliott, Legislative Affairs Secretary, Office of the Governor
Gregory Schmidt, Secretary of the Senate
E. Dotson Wilson, Chief Clerk of the Assembly
Joint Legislative Budget Committee
Mac Taylor, Legislative Analyst
Marybel Batjer, Secretary, Government Operations Agency

ecc:

Camille Wagner, Chief Deputy Legislative Affairs Secretary
Office of the Governor

Christian Griffith, Chief Consultant
Assembly Budget Committee

Nancy Farias, Deputy Secretary of Legislation
Governmental Operations Agency

Mark Martin, Consultant
Assembly Budget Committee

Marianne O'Malley, Director Gen. Government
Office of the Legislative Analyst

Mark McKenzie, Staff Director
Senate Appropriations Committee

Nick Schroeder, Fiscal and Policy Consultant
Office of the Legislative Analyst

Maureen Ortiz, Consultant
Senate Budget Committee

Erika Li, Asst. Program Budget Manager
Department of Finance

Geoff Long, Chief Consultant
Assembly Appropriations Committee

Craig Cornett, Chief Fiscal Policy Advisor
Office of the Pro Tem

Joel Tashjian, Consultant
Assembly Appropriations Committee

Charles Wright, Chief Consultant
Office of the Pro Tem

Pamela Schneider, Chief Consultant
Senate PE&R Committee

Chris Woods, Budget Director
Office of the Speaker

Karon Green, Chief Consultant
Assembly PER&SS Committee

Greg Campbell, Chief of Staff
Office of the Speaker

Gary Link, Consultant
Senate Republican Caucus

Nick Hardeman, Chief Consultant
Office of the Speaker

Terry Mast, Consultant
Assembly Republican Caucus

Seren Taylor, Staff Director
Senate Republican Fiscal Office

Pam Manwiller, Acting Chief Deputy
CalHR

Chantele Denny, Consultant
Senate Republican Fiscal Office

Alene Shimazu, Chief
Financial Management, CalHR

Anthony Archie, Consultant
Assembly Republican Fiscal Office

Eric Swanson, Staff Director
Assembly Republican Fiscal Office

Mark Ibele, Staff Director
Senate Budget Committee

Joe Stephenshaw, Consultant
Senate Budget Committee

**CALIFORNIA DEPARTMENT OF HUMAN RESOURCES
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNIT 10**

**Exclusive Employee Representative
California Association of Professional Scientists (CAPS)**

Number of Employees: Approximately 2,870 Full-Time Equivalents

General Provisions:

I. Retirement

Benefit Formula Calculation

- Bargaining Unit (BU) 10 employees who become CalPERS members on or after January 1, 2013, are subject to the Public Employees' Pension Reform Act (PEPRA) Retirement Formula of two percent (2%) at age 62.
- BU 10 employees who become CalPERS State Safety members on or after January 1, 2013, are subject to the State Safety PEPRA Retirement Formula of two percent (2%) at age 57.
- BU 10 employees who become CalPERS members on or after January 1, 2013, are subject to the Second Tier PEPRA Retirement Formula of one and one-quarter percent (1.25%) at age 67.
- Pensionable compensation caps will apply to new CalPERS members subject to PEPRA as defined under PEPRA.

Employee Pension Contribution

- All BU 10 Miscellaneous First Tier members contribute eight percent (8%) of monthly pensionable compensation.
- Effective July 1, 2013, all BU 10 State Safety members began contributing ten percent (10%) of monthly pensionable compensation. Effective July 1, 2014, all Bargaining Unit 10 State Safety members shall contribute eleven percent (11%) of monthly pensionable compensation.
- Effective July 1, 2013, all BU 10 Industrial members began contributing nine percent (9%) of monthly pensionable compensation.
- On July 1, 2013, all BU 10 Second Tier members began contributing one and one-half percent (1.5%) of monthly pensionable compensation and the contribution will increase by one and one-half percent (1.5%) annually. The final annual increase in the contribution rate shall be adjusted as appropriate to reach fifty percent (50%) of normal cost.

II. Compensation

General Salary Increase and One-Time Bonus

- The month following ratification of the MOU, all BU 10 represented classifications shall receive a one-time bonus of \$1000.
- Effective July 1, 2015, all BU 10 represented classifications shall receive a three percent (3%) General Salary Increase (GSI).

III. Health Benefits

Dependent Coverage

- Thirty (30) days following ratification, BU 10 employees who first become eligible for health enrollment will become eligible for the full employer contribution for dependent health coverage after one (1) year of state employment. The State will contribute seventy-five (75%) of the normal amount for dependents during the vesting period.

IV. Miscellaneous

- Canine Differential Pay was deleted as it is no longer used by the California Department of Food and Agriculture.
- Field Training Biologist Program was deleted as the California Department of Fish and Wildlife no longer utilize this program.
- The State and BU 10 agree to present to the Legislature, as part of the legislation implementing this MOU, a provision to appropriate funds to cover the economic terms of this agreement through July 1, 2015.
- For the terms of this Contract, the state shall not implement a furlough program or mandate a Personal Leave Program.
- Established a Joint Labor/Management Classification Consolidation Committee.
- Business and Travel Reimbursements, the State increased the breakfast rate to \$7.00, lunch to \$11.00, dinner to \$23.00 and incidentals to \$5.00.

The State increased lodging rates as follows:

County	Lodging Rate
All Counties except those listed below	\$90
Los Angeles, Orange, Ventura & Edwards AFB less the City of Santa Monica	\$120
Sacramento, Napa, Riverside	\$95
San Diego, Monterey Alameda, San Mateo, Santa Clara	\$125
San Francisco, City of Santa Monica	\$150

- Effective June 1, 2015, BU 10 employees will be allowed to cash out up to 20 hours of vacation or annual leave once per fiscal year if their department head determines funds are available.
- Department of Water Resources – Operational Availability Incentive Program will give eligible BU 10 employees in the Division of Operations and Maintenance up to 80 hours of Compensating Time Off (CTO) for achieving operational availability goals.
- BU 10 employees may defer their range changes up to three (3) months in order to coincide with their effective date of their Merit Salary Adjustment (MSA).
- State departments shall be required to disclose the salary range and alternate range criteria when offering a position to a prospective employee.
- Duty Officer Program is now offered to Environmental Scientists and/or Senior Environmental Scientist (Specialist) classes in lieu of Hazardous Substances Scientist, resulting from the recent class consolidation.
- Deleted Contract Protection language.
- Changes from the May 22, 2014, version of the BU 10 Tentative Agreement can be found within Articles 2.1, 17.5, 20.2, 20.3, and 20.5.

V. Duration

- July 2, 2013, through July 1, 2015

VI. Fiscal

- FY 13/14 Cost: \$0
- FY 14/15 Cost: \$3.1M, \$0.6M GF
- FY 15/16 Cost: \$8.2M, \$1.5M GF
- Total Incremental Cost: \$11.3M, \$2.0M GF

VII. Agreement

- The complete Tentative Agreement between the State and CAPS BU 10 is posted at:
<http://www.calhr.ca.gov/state-hr-professionals/Pages/bargaining-contracts.aspx>

California Department of Human Resources
 Bargaining Unit 10
 Budgetary Costing Summary
 (Dollars in Thousands)

2 YEAR AGREEMENT		2013-14 Budgetary			2014-15 Budgetary			2015-16 Budgetary			Total Budgetary		
Rank and File	Effective Date	GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total
Proposals													
Costs													
\$1000 One-Time Bonus	10/1/14				\$554	\$2,528	\$3,082	\$	\$	\$	\$554	\$2,528	\$3,082
3% GSI	7/1/15				\$	\$	\$	\$1,469	\$6,701	\$8,170	\$1,469	\$6,701	\$8,170
DWR Operational Incentive	10/1/14				\$7	\$34	\$41	\$7	\$35	\$42	\$15	\$69	\$84
Total Costs		\$	\$	\$	\$561	\$2,562	\$3,124	\$1,477	\$6,736	\$8,213	\$2,038	\$9,298	\$11,336
Non-adds													
Dependent Vesting	10/1/14				\$17	\$76	\$93	\$23	\$107	\$131	\$40	\$183	\$224
Travel Reimbursement Increases	10/1/14				\$6	\$28	\$34	\$8	\$37	\$45	\$14	\$64	\$78
PEPRA - New Employees Future Savings	1/1/15				(\$13)	(\$58)	(\$71)	(\$25)	(\$117)	(\$142)	(\$38)	(\$175)	(\$213)
Health	1/1/14 1/1/15 1/1/16	\$84	\$326	\$410	\$150	\$625	\$775	\$394	\$1,740	\$2,134	\$628	\$2,691	\$3,319
Dental	1/1/14 1/1/15 1/1/16	(\$22)	(\$85)	(\$107)	(\$22)	(\$83)	(\$105)	(\$14)	(\$49)	(\$64)	(\$58)	(\$218)	(\$276)
Total Non-adds		\$62	\$241	\$303	\$138	\$588	\$726	\$386	\$1,717	\$2,104	\$587	\$2,546	\$3,133
Grand Total		\$62	\$241	\$303	\$700	\$3,150	\$3,850	\$1,863	\$8,453	\$10,316	\$2,625	\$11,844	\$14,469
Travel dollars were provided by DOF.													
There are 5 months of additional 2016 health and dental costs that are not shown.													
While PEPRA is in effect January 1, 2013, savings are not realized until January 1, 2015.													
2016 health rates are based on an 8.0% estimated growth.													

California Department of Human Resources
 Bargaining Unit 10
 Incremental Costing Summary
 (Dollars in Thousands)

2 YEAR AGREEMENT																
Rank and File		2013-14			2014-15			2015-16			Total Incremental			Total Budgetary		
Proposals	Effective Date	GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total
Costs																
\$1000 One-Time Bonus	10/1/14				\$554	\$2,528	\$3,082				\$554	\$2,528	\$3,082	\$554	\$2,528	\$3,082
3% GSI	7/1/15							\$1,469	\$6,701	\$8,170	\$1,469	\$6,701	\$8,170	\$1,469	\$6,701	\$8,170
DWR Operational Incentive	10/1/14				\$7	\$34	\$41	\$	\$1	\$1	\$7	\$35	\$42	\$15	\$69	\$84
Total Costs		\$	\$	\$	\$561	\$2,562	\$3,124	\$1,469	\$6,702	\$8,171	\$2,031	\$9,264	\$11,295	\$2,038	\$9,298	\$11,336
Non-adds																
Dependent Vesting	10/1/14				\$17	\$76	\$93	\$7	\$31	\$38	\$23	\$107	\$131	\$40	\$183	\$224
Travel Reimbursement Increases	10/1/14				\$6	\$28	\$34	\$2	\$9	\$11	\$8	\$37	\$45	\$14	\$64	\$78
PEPRA - New Employees Future Savings	1/1/15				(\$13)	(\$58)	(\$71)	(\$13)	(\$58)	(\$71)	(\$25)	(\$117)	(\$142)	(\$38)	(\$175)	(\$213)
Health	1/1/14 1/1/15 1/1/16	\$84	\$326	\$410	\$66	\$299	\$365	\$244	\$1,114	\$1,359	\$394	\$1,740	\$2,134	\$628	\$2,691	\$3,319
Dental	1/1/14 1/1/15 1/1/16	(\$22)	(\$85)	(\$107)	\$	\$2	\$2	\$7	\$34	\$41	(\$14)	(\$49)	(\$64)	(\$58)	(\$218)	(\$276)
Total Non-adds		\$62	\$241	\$303	\$76	\$347	\$423	\$248	\$1,130	\$1,378	\$386	\$1,717	\$2,104	\$587	\$2,546	\$3,133
Grand Total		\$62	\$241	\$303	\$638	\$2,909	\$3,547	\$1,717	\$7,832	\$9,549	\$2,417	\$10,982	\$13,399	\$2,625	\$11,844	\$14,469
Travel dollars were provided by DOF.																
There are 5 months of additional 2016 health and dental costs that are not shown.																
While PEPRA is in effect January 1, 2013, savings are not realized until January 1, 2015.																
2016 health rates are based on an 8.0% estimated growth.																