



CALIFORNIA DEPARTMENT OF HUMAN RESOURCES

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Governor Edmund G. Brown Jr.
Secretary, Government Operations Agency Marybel Batjer
Director Richard Gillihan

March 25, 2016

The Honorable Kevin de León
Pro Tem, California State Senate
State Capitol, Room 205
Sacramento, California 95814

The Honorable Jean Fuller
Minority Leader, California State Senate
State Capitol, Room 3063
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the California State Assembly
State Capitol, Room 219
Sacramento, California 95814

The Honorable Chad Mayes
Minority Leader, California State Assembly
State Capitol, Room 3104
Sacramento, California 95814

Re: Tentative Agreement/Memorandum of Understanding (MOU) for the California Correctional Peace Officers Association (CCPOA) Representing Bargaining Unit 6

Dear Senators de León and Fuller, and Assembly Members Rendon and Mayes:

The Department of Human Resources (CalHR) reached a new Tentative Agreement/MOU with CCPOA representing Bargaining Unit 6. Upon approval of the Legislature and the Governor, and ratification by the membership, this agreement will be effective July 3, 2015 through July 2, 2018.

This agreement will roll over language from past agreements and make several changes to address the state's retiree health care costs and associated unfunded liabilities. The state and Bargaining Unit 6 have agreed to begin to phase-in the prefunding of retiree health care benefits, starting on July 1, 2016, with the goal of each contributing 50 percent of the actuarially determined normal cost by July 1, 2018. In addition, Bargaining Unit 6 members first hired on or after January 1, 2017, will need to work longer to become eligible for retiree health and dental benefits and once vested will receive a lower employer contribution for those benefits. Finally, Bargaining Unit 6 members will receive a total of 9 percent in general salary increases over the term of this agreement.

In accordance with Government Code sections 3517.5, 19829.5, and Senate Rule 29.4, I am forwarding a copy of the 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 also be found by going to the following link: <http://www.calhr.ca.gov/state-hr-professionals/Pages/bargaining-contracts.aspx>.

Respectfully,



Richard Gillihan
Director

Attachments

cc: Camille Wagner, Legislative Affairs Secretary, Office of the Governor
Daniel Alvarez, 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:

Tom Dyer, Chief Deputy Legislative Affairs Secretary
Office of the Governor

Khaim Morton, Deputy Secretary of Legislation
Governmental Operations Agency

Jason Sisney, Chief Deputy Analyst
Office of the Legislative Analyst

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

Eric Stern, Asst. Program Budget Manager
Department of Finance

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

Charles Wright, Chief Consultant
Office of the Pro Tem

Chris Woods, Budget Director
Office of the Speaker

Carrie Cornwell, Chief of Staff
Office of the Speaker

George Wiley, Chief Consultant
Office of the Speaker

Kirk Feely, Budget Director
Senate Republican Fiscal Office

Chantele Denny, Consultant
Senate Republican Fiscal Office

Anthony Archie, Consultant
Assembly Republican Fiscal Office

Eric Swanson, Staff Director
Assembly Republican Fiscal Office

Mark Ibele, Staff Director
Senate Budget Committee

Anita Lee, Consultant
Senate Budget Committee

Christian Griffith, Chief Consultant
Assembly Budget Committee

Genevieve Morelos, Consultant
Assembly Budget Committee

Mark McKenzie, Staff Director
Senate Appropriations Committee

Robert Ingenito, Consultant
Senate Appropriations Committee

Pedro Reyes, Chief Consultant
Assembly Appropriations Committee

Luke Reidenbach, Senior Consultant
Assembly Appropriations Committee

Pamela Schneider, Chief Consultant
Senate PE&R Committee

Karon Green, Chief Consultant
Assembly PER&SS Committee

Gary Link, Consultant
Senate Republican Caucus

Pam Manwiller, Deputy Director
CalHR Labor Relations

Candace Murch,
Labor Relations Officer
CalHR Labor Relations

Anthony Crawford, Chief
CalHR Office of Financial
Management and Economic
Research

**CALIFORNIA DEPARTMENT OF HUMAN RESOURCES
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNIT 6**

**Exclusive Employee Representative:
California Correctional Peace Officers Association (CCPOA)**

Number of Employees: Approximately 26,835 full-time equivalents

General Provisions:

I. Health Benefits

Employer Contribution for Active State Employees

- Effective the pay period following ratification, the state's monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. For each employee with enrolled family members, the employer shall continue to contribute an additional flat dollar amount equal to 80 percent of the weighted average of the additional premiums. The flat dollar amounts shall be increased as appropriate pursuant to the formulas on January 1, 2017, and January 1, 2018.

Employer Contribution for Future Retirees

- Employees first hired on or after January 1, 2017, will receive an employer contribution for retiree health benefits based on an "80/80" formula. Retirees and their dependents enrolled in a basic health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest basic health benefit plans based on state active employee enrollment. Retirees and their dependents enrolled in a Medicare health benefit plan will receive an employer contribution equal to 80 percent of the weighted average premium of the four largest Medicare health benefit plans based on state retiree enrollment.

Prefunding of Other Post-Employment Benefits

- Beginning July 1, 2016, the state and Bargaining Unit 6 members will prefund retiree healthcare with the goal of reaching 50 percent cost sharing of actuarially determined total normal cost for employer and employees by July 1, 2018. The state and employees will each make the following contributions:
 1. Effective July 1, 2016, 1.3 percent of pensionable compensation.
 2. Effective July 1, 2017, an additional 1.3 percent for a total of 2.6 percent of pensionable compensation.
 3. Effective July 1, 2018, an additional 1.4 percent for a total of 4.0 percent of pensionable compensation.

Post-Employment Health and Dental Benefit Vesting Schedule

- All employees first hired on or after January 1, 2017, will be subject to an extended vesting schedule providing 50 percent of the employer contribution upon completion of 15 years of state service, increasing 5 percent for each additional year of service, until the employee is 100 percent vested at 25 years of state service.

Medicare Part B Supplemental Benefit

- All employees first hired on or after January 1, 2017, will no longer be eligible to use the employer contribution for a retiree health benefit plan for Medicare Part B premiums.

II. Compensation

General Salary Increase (GSI)

- Effective the first day of the pay period following ratification by the Legislature and the membership, all Unit 6 represented classifications shall receive a 3 percent (3%) GSI.
- Effective July 1, 2017, all Unit 6 represented classifications shall receive a 3 percent (3%) GSI.
- Effective July 1, 2018, all Unit 6 represented classifications shall receive a 3 percent (3%) GSI.

Retention and Recruitment Incentives

- Effective the first day of the pay period following ratification by the Legislature and the membership, increases the annual incentive, payable semi-annually, for Avenal, Ironwood, Chuckawalla Valley, Calipatria and Centinela State Prisons from \$2,400 to \$2,600. This provision also establishes the same incentive for Pelican Bay, California Correctional Center and High Desert State Prisons.

Senior Peace Officer Pay Differential

- Effective July 1, 2016, increases each step of the Senior Peace Officer Pay Differential by 1 percent (1%).

Uniform Allowance

- Increases the annual uniform allowance from \$530 to \$950 for full time employees, excluding Medical Technical Assistants (MTA).
- Increases the annual uniform allowance from \$305 to \$546 for MTAs.

III. Miscellaneous

New Sections

- Establishes a Health and Safety Grievance Process (Article 6.16).
- Effective May 1, 2016, and depending on available departmental funds, permits the cash out of up to 80 hours of leave per year (Article 10.22).
- Incorporates Side Letter 10 regarding Retired Annuitants (Article 18.01).

- Establishes a process and criteria for Correctional Counselor I to request a transfer between institutions (Article 20.06).
- Establishes a voluntary overtime process for Correctional Counselor I (Article 20.07).
- Provides Correctional Counselor desktop computers with internet access. (Article 20.08).
- Prohibits a furlough program or a mandatory Personal Leave Program during the term of the agreement (Article 27.05).

Existing Sections

- Requires the Division of Juvenile Justice (DJJ) to annually provide CCPOA a copy of on-the-job training materials and establishes when on-the-job training will be completed. (Article 8.05).
- Clarifies that employees who have insufficient sick leave can use up to twenty four hours annually of other leave for illness and additional leave upon hiring authority approval. The employer can now require a doctor's note when an employee with a demonstrable pattern of sick leave and when an employee is unable to work overtime due to illness. Adds language regarding what sick leave absences will not count as part of corrective or disciplinary actions (Article 10.02).
- Creates an appeals process for a previous denial of Enhanced Industrial Disability Leave benefits based on the submission of new information (Article 10.03).
- Establishes a holiday and single Day Burn Program and additional scheduled relief coverage (Article 10.11).
- Adds language that allows employees to change watch and/or Regular Day Off to accommodate military service and avoid using leave credits (Article 10.17).
- Extends the pay for "dead time" from 1 hour to 2 hours (Article 11.03).
- Provides for no punitive restrictions or limitations on swaps and changes the payback time from 90 calendar days to 120 calendar days for swaps (Article 11.04).
- Allows time off for Jury Duty, Subpoenaed Witness, and Military Leave to be counted as time worked for the purposes of overtime calculations (Article 11.08 and Article 11.11).
- Clarifies when an employee cannot be ordered to work involuntary overtime (Article 12.06).
- Adds language providing for defining qualifying post, eligibility, implementation, processes, super seniority, maintenance and disputes for personnel preferred post assignments for Correctional Officers and Medical Technical Assistants (Article 12.07).

- Increases the Benefit Trust Fund contributions by an additional \$14 million, phased-in \$7 million per year for two years beginning July 1, 2016, for a total of \$19 million upon full implementation. Includes language clarifying that these funds can only be used for specific purposes (Article 13.10).
- Effective the first day of the pay period following ratification by the Legislature and the membership, increases the Overtime Meal Allowance from \$6.00 to \$8.00 (Article 14.02).
- Effective the first day of the pay period following ratification by the Legislature and the membership, increases the monthly housing stipend for the Correctional Training Facility, San Quentin, and Salinas Valley State Prisons from \$175 to \$200 (Article 15.02).
- Effective the first day of the pay period following ratification by the Legislature and the union, physical fitness pay is included in regular base pay (Article 15.07).
- Defines Fire Captain Overtime assignment and overtime distribution for shifts less than twenty-four hours (Article 17.15).
- Clarifies DJJ Parole Agent I, Parole Agent II and Casework Specialists work hours and schedule changes (Article 22.01).
- Adds language to address institutional re-bid and continuous bid for Youth Correctional Counselor DJJ post assignments and Youth Correction Officer post assignments (Article 24.04 & 24.08).
- Establishes notice periods for implementation on changes that involve two institutions and more than two institutions. It also establishes a process for information requests and for unilateral changes which are made without notice (Article 27.01).

IV. Duration

- July 3, 2015 through July 2, 2018

V. Fiscal

- Fiscal Year 2015-16: \$26.1 million (\$26.0 million General Fund)
- Total Incremental Cost: \$501.6 million (\$498.8 million General Fund)
- Total Budgetary Cost: \$1,094.5 million (\$1,088.4 million General Fund)

VI. Agreement

- The complete Tentative Agreement between the state and CCPOA is posted at: <http://www.calhr.ca.gov/state-hr-professionals/pages/bargaining-contracts.aspx>

**California Department of Human Resources
Bargaining Unit 06 (CCPOA) - Incremental MOU Summary
3 Year Agreement
(Dollars in Thousands)**

Rank and File	Effective Date	2015-16			2016-17			2017-18			2018-19			Total Incremental			Total Budgetary		
		GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total	GF	OF	Total
Proposal		\$16,002	\$89	\$16,092	\$80,411	\$447	\$80,438	\$98,894	\$552	\$99,447	\$101,861	\$569	\$102,430	\$96,014	\$536	\$96,550	\$304,044	\$1,688	\$305,742
3% GSI	5/1/16																		
3% GSI	7/1/17																		
3% GSI	7/1/18																		
1.3% OPEB	7/1/16																		
1.3% OPEB	7/1/17																		
1.4% OPEB	7/1/18																		
80/80 Health Flat	5/1/16	\$3,562	\$20	\$3,582	\$24,533	\$137	\$24,670	\$17,037	\$95	\$17,132	\$8,739	\$49	\$8,788	\$53,871	\$301	\$54,172	\$130,661	\$730	\$131,391
	12/1/16																		
	12/1/17																		
CCPOA Benefit Trust	7/1/16				\$6,961	\$39	\$7,000	\$6,961	\$39	\$7,000				\$13,922	\$78	\$14,000	\$4,806	\$194	\$5,000
PD164 - Senior Pay (+1% to all)	7/1/17				\$9,239	\$52	\$9,291	\$277	\$21	\$279	\$285	\$2	\$287	\$9,802	\$55	\$9,857	\$28,557	\$161	\$28,718
Physical Fitness	5/1/16	\$3,040	\$17	\$3,057	\$15,202	\$85	\$15,287	\$10,053	\$56	\$10,109	\$10,053	\$56	\$10,109	\$16,242	\$102	\$16,344	\$57,766	\$323	\$58,089
Uniform Allowance	5/1/16				\$5,174	\$18	\$3,191							\$5,950	\$34	\$5,983	\$20,626	\$116	\$20,742
Recruitment and Retention	5/1/16	\$2,776	\$16	\$2,792	\$5,174	\$18	\$3,191							\$7,715	\$4	\$7,719	\$2,264	\$13	\$2,277
Housing Stipend	5/1/16	\$465	\$3	\$468	\$2,327	\$13	\$2,340							\$2,793	\$16	\$2,809	\$8,844	\$49	\$8,894
Overtime Meals Allowance	5/1/16													\$1,518	\$8	\$1,526	\$4,553	\$25	\$4,579
Leave Counting as Time Worked (Military, Jury Duty, and Subpoenaed Witness)	7/1/16													\$498,782	\$2,787	\$501,569	\$1,088,398	\$6,082	\$1,094,480
Subtotal Rank and File Costs		\$25,966	\$145	\$26,111	\$180,453	\$1,009	\$181,462	\$150,813	\$842	\$151,655	\$141,550	\$791	\$142,340	\$498,782	\$2,787	\$501,569	\$1,088,398	\$6,082	\$1,094,480
Non-Adds																			
80 Hour Leave Cash Out	6/1/16	\$61,341	\$454	\$61,796				\$2,440	\$14	\$2,454	\$2,513	\$14	\$2,527	\$86,295	\$482	\$86,777	\$382,759	\$1,858	\$384,618
Total Non-Adds		\$61,341	\$454	\$61,796	\$0	\$0	\$0	\$2,440	\$14	\$2,454	\$2,513	\$14	\$2,527	\$86,295	\$482	\$86,777	\$382,759	\$1,858	\$384,618
Grand Total Rank and File Costs		\$107,307	\$599	\$107,907	\$180,453	\$1,009	\$181,462	\$153,253	\$856	\$154,109	\$144,063	\$805	\$144,868	\$585,077	\$3,269	\$588,345	\$1,471,157	\$7,940	\$1,479,098