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,

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
Marie O’Malley, Director Gen. Government Office of the Legislative Analyst

Nick Schroeder, Consultant
Office of the Legislative Analyst

Richard Gillihan, 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

Greg Campbell, Chief Consultant
Office of the Speaker

Seren Taylor, Staff Director
Senate Republican Fiscal Office

Chantele Denny, Consultant
Senate Republican Fiscal Office

Anthony Archie, Consultant
Assembly Republican Fiscal Office

Peter Schaafsma, Staff Director
Assembly Republican Fiscal Office

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 Franzio, Staff Director
Senate Appropriations Committee

Maureen Ortiz, Consultant
Senate Appropriations Committee

Geoff Long, Chief Consultant
Assembly Appropriations Committee

Roger Dunstan, Consultant
Assembly Appropriations Committee

Pamela Schneider, Consultant
Senate PE&R Committee

Karon Green, Chief Consultant
Assembly PER&SS Committee

Gary Link, Consultant
Senate Republican Caucus

Terry Mast, Consultant
Assembly Republican Caucus

Alene Shimazu, Chief
Fiscal Analysis, DPA

Pam Manwiler, Acting Deputy Chief
Labor Relations, DPA

Andres Mejia, LRO
Labor Relations, DPA

Cindie Fonseca, LRO
Labor Relations, DPA
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.
**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.
<table>
<thead>
<tr>
<th>CBID</th>
<th>2012 Side Letter Agreement *</th>
<th>2012-13</th>
<th>2013-14</th>
<th>Total Incremental</th>
<th>Total Budgetary</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Costing Proposal</td>
<td>Eff Date</td>
<td>GF</td>
<td>OF</td>
<td>Total</td>
</tr>
<tr>
<td>R10</td>
<td>Personal Leave Program</td>
<td>7/1/2012</td>
<td>($2,012) (56,780) ($10,801)</td>
<td>($2,012) (56,780) ($10,801)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Statutorily and/or Existing Contract Adjustment **</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R10</td>
<td>Health, Dental, Vision Increases</td>
<td>1/1/2013</td>
<td>$206</td>
<td>$986</td>
<td>$1,102</td>
</tr>
<tr>
<td>R10</td>
<td>90% SSA @ Max</td>
<td>7/1/2012</td>
<td>$1,050</td>
<td>$5,561</td>
<td>$5,611</td>
</tr>
<tr>
<td>R10</td>
<td>Total</td>
<td></td>
<td>$206</td>
<td>$986</td>
<td>$1,102</td>
</tr>
</tbody>
</table>

* 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.