

**CALIFORNIA DEPARTMENT OF HUMAN RESOURCES
SUMMARY OF SIDE LETTER AGREEMENT
FOR BARGAINING UNIT 19**

**Exclusive Employee Representative:
American Federation of State, County and Municipal
Employees (AFSCME)**

Number of Employees: Approximately 5,238 full-time equivalents

General Provisions

I. Health Benefits

Prefunding of Other Post-Employment Benefits

- Employees are currently contributing 3 percent toward the prefunding of post-retirement health benefits. Effective the July 2020 pay period through the June 2022 pay period, the employees' monthly contribution for prefunding other post-employment benefits is suspended for the 2020-21 and 2021-22 fiscal years, and will not be withheld from the employees' salaries (Article 11.11).

II. Compensation

Personal Leave Program (PLP 2020)

- Effective with the pay period following ratification through the June 2022 pay period, PLP 2020 will apply to all AFSCME represented employees. Employees continue to work their assigned work schedules and shall have a reduction in pay equal to 9.23 percent.

Each full-time employee shall be credited with sixteen (16) hours of PLP 2020 on the first day of each pay period for the duration of the PLP 2020 program. PLP 2020 shall have no cash value and may not be cashed out, except as permitted in very limited circumstances (e.g., non-voluntary separation).

Employees have until June 30, 2027, to use all leave time earned under PLP 2020. Any unused PLP 2020 time shall be void after June 30, 2027.

PLP 2020 leave shall not be considered as "time worked" for overtime purposes (New Article).

- The state shall not implement additional employee compensation reductions during the 2020-21 and 2021-22 fiscal years (New Article).

Vacation and Annual Leave Cap Increase

- The state shall increase the 640 hour cap on Vacation and Annual Leave during the term of PLP 2020 by the equivalent number of PLP 2020 hours the BU 19 represented employees receive (Articles 9.1 and 9.3).

Voluntary Personal Leave Program (VPLP)

- This provision amends existing MOU language and allows employees to opt out of the VPLP at any time during the PLP 2020 program (Article 9.14).

III. Miscellaneous

Contract Reopener Language – Elimination of Pay Decreases

- The determination of sufficient funding to restore the reductions shall be at the sole discretion of the Director of the Department of Finance if either of the following circumstances occur:
 - If the Director of the Department of Finance, as a result of appropriate federal legislation providing additional funding to the state to address the impacts of the COVID-19 Recession, elects to restore, at their sole discretion, some or all of the various pay items that has been reduced.
 - If the Director of the Department of Finance, as a result of state revenue becoming sufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the cost of providing the pay that has been reduced as a result of the COVID-19 Recession, elects to restore, at their sole discretion, some or all of the various pay items that have been reduced.
- In the event the Director of the Department of Finance elects to restore, at their sole discretion, some or all of the various pay items that have been reduced, the State shall provide notice to the Union and shall meet and confer with the Union upon request regarding the impact of that determination (New Article).

Dispute Resolution Process

- Disputes regarding the denial of the use of PLP 2020 time may be appealed through the grievance procedure. The decision made by the Department of Human Resources shall be final and there may be no further appeals (Article 5).

IV. Term

- July 1, 2020 to June 30, 2022

V. Fiscal

- Fiscal Year 2020-21 savings: \$67.9 million (\$56.6 million General Fund)
- Total 2-Year Incremental savings: \$67.9 million (\$56.6 million General Fund)
- Total 2-Year Budgetary savings: \$135.8 million (\$113.2 million General Fund)

VI. Agreement

- This Side Letter Agreement represents negotiated reductions in employee compensation.
- The Side Letter Agreement between the state and AFSCME is posted at: [Contracts Section on CalHR Website](#).