

CALIFORNIA DEPARTMENT OF HUMAN RESOURCES

SUMMARY OF SIDE LETTER AGREEMENT

FOR BARGAINING UNIT 10

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

Number of Employees: Approximately 3,671 full-time equivalents

General Provisions

I. Post-Employment Benefits

Prefunding of Other Post-Employment Benefits

- Employees are currently contributing 2.8 percent toward the prefunding of post-retirement health benefits. Effective the first day of the pay period following ratification 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 8.9).

II. Compensation

Personal Leave Program (PLP 2020)

- Effective with the July 2020 pay period through the June 2022 pay period, the Personal Leave Program (PLP 2020) will apply to all CAPS 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 under limited circumstances upon separation.

PLP 2020 leave shall not be considered as "time worked" for purposes of determining the number of hours worked in a work week.

Disputes regarding the denial of the use of PLP 2020 time may be appealed through the grievance procedure. The decision made by CalHR is final and there may be no further appeals (New Article).

- The state shall not implement a furlough program or seek additional employee compensation reductions during the PLP2020 (Article 3.21).

General Salary Increase (GSI)

- The existing MOU contains a 5 percent GSI effective July 1, 2020. This GSI is suspended and deferred until July 1, 2022, or July 1, 2023 (see contract reopener language below) (Article 2.1.1).

Vacation and Annual Leave Cap Increase

- The state shall increase the 640 hour cap on Vacation and Annual Leave by the equivalent number of Personal Leave Program hours the BU 10 represented employees receive until June 30, 2025 (Articles 3.1 and 3.13).

Voluntary Personal Leave Program (VPLP)

- This provision amends existing MOU language and allows employees to discontinue or make changes to their participation in VPLP. The employees are allowed to opt out or make changes to their election at any time during the PLP 2020 program (Article 3.19).

Retirement Contribution

- The existing MOU contains an employee contribution rate reduction which was effective July 1, 2021. This provision is modified to capture an acceleration of that contribution rate change. The rate change is effective July 1, 2020, instead of July 1, 2021 (Articles 8.1 and 8.2).

III. Miscellaneous

Contract Reopener Language – Elimination of Pay Decreases and Suspensions

- 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 have been suspended or 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 items that have been suspended or 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 suspended or 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 suspended or reduced, the state shall provide notice to the Union and shall meet and confer

with the Union to discuss the impact of the determination. In addition, the Union may request at any time during the term to meet with the California Department of Human Resources to discuss these suspended or reduced items.

- In the event that the Director of the Department of Finance does not restore, at their sole discretion, Article 2.1 Salaries, the July 1, 2020, 5 percent GSI shall become effective on July 1, 2022. However, if projected state revenues at the 2022-23 May Revision to the Governor's Budget continue to be insufficient to fully fund existing statutory and constitutional obligations, existing fiscal policy, and the costs of providing the aforementioned pay increases to all eligible employees, the July 1, 2020, 5 percent GSI shall become effective on July 1, 2023. Determination of funding availability shall be at the sole discretion of the Director of the Department of Finance.

IV. Term

- July 1, 2020 through June 30, 2022

V. Fiscal

- Fiscal Year 2020-21 Savings: \$41.1 million (\$10.1 million General Fund)
- Total 2-Year Incremental Savings: \$41.1 million (\$10.1 million General Fund)
- Total 2-Year Budgetary Savings: \$82.2 million (\$20.2 million General Fund)

VI. Agreement

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