Number of Employees: Approximately 6,185 full-time equivalents

I. Retirement

*Benefit Formula Calculation*

- Miscellaneous/Industrial Employees: Acknowledges Government Code section 21353 which provides that newly hired employees after January 15, 2011 will be subject to the 2% at 60 retirement formula.
- State Safety Employees: Acknowledges Government Code section 21369 which provides that newly hired employees after January 15, 2011 will be subject to the 2% at 55 retirement formula.
- Peace Officer / Firefighter Employees (PO/FF): Acknowledges Government Code section 21363 which provides that newly hired employees after January 15, 2011 will be subject to the 2.5% at 55 retirement formula.
- Acknowledges Government Code section 20037.15 which provides that for newly hired BU 7 PO/FF members on or after January 15, 2011, retirement benefits will be based on the employees’ highest consecutive 36–month salary (instead of single-highest year). BU 7 Miscellaneous/Industrial and State Safety employees have been under the 36-month final compensation provision since January 1, 2007.

*Employee Pension Contribution*

- Effective with the pay period following legislative ratification, BU 7 PO/FF members shall have their pension contribution increased from 8% to 10% of monthly compensation over $513.
- Effective with the pay period following legislative ratification, BU 7 Safety Retirement shall have their pension contribution increased from 6% to 9% of monthly compensation over $317.
- Effective with the pay period following legislative ratification, BU 7 Miscellaneous and Industrial members shall have their pension contribution increased from 5% to 8% of monthly compensation over $513.

II. Compensation

*Adjusted Pay Ranges*

- Effective July 1, 2013 all BU 7 represented classifications, subject to the PO/FF retirement category, shall be adjusted by increasing the maximum step of the pay range by 2%. This only applies to BU 7 employees who reach the top step of the pay range for 12 qualifying pay periods.
• Effective July 1, 2013 all BU 7 represented classifications, subject to the State Safety retirement category, shall be adjusted by increasing the maximum step of the pay range by 3%. This only applies to BU 7 employees who reach the top step of the pay range for 12 qualifying pay periods.

• Effective July 1, 2013 all BU 7 represented classifications, subject to the Miscellaneous and Industrial retirement category, shall be adjusted by increasing the maximum step of the pay range by 3%. This only applies to BU 7 employees who reach the top step of the pay range for 12 qualifying pay periods.

**Personal Leave Program**

• Effective the April, 2011 pay period, the Personal Leave Program (PLP 2010) will apply to BU 7 employees. This program reduces pay by approximately 5% and the leave cannot be cashed out. This program shall remain in effect for twelve months.

• The State will not implement a new furlough program for BU 7 employees during the term of the Personal Leave Program (12 consecutive months).

**III. Health Benefits**

**Employer Contribution**

• Effective the pay period following legislative ratification, but no later than April 2011, the State’s monthly contribution to the health insurance portion of the BU 7 employee’s CoBen\(^1\) allowance will be set at a dollar amount that equals the 80/80 formula\(^2\), resulting in the following CoBen allowance amounts: $482 for employee only, $946 for employee plus one dependent, and $1,241 for employee plus two or more dependents. The amounts shall be increased according to this formula on January 1, 2012 and January 1, 2013.

**IV. Miscellaneous**

• The State removed the ability of CSLEA to have two union officials off of work on State Paid Release. The parties agreed to reduce the vacation/annual leave accruals by one and one-half hours for one pay period a year to fund a Union Release Time Bank.

• The State and CSLEA agree to present to the Legislature as part of the legislation implementing this Memorandum of Understanding, a provision to appropriate funds to cover the economic term of this MOU through July 1, 2013.

• The State and CSLEA agree to delete Lincoln’s Birthday and Columbus Day from the list of holidays that receive holiday-in-lieu designation.

• Employees that work on January 1\(^{st}\), the last Monday in May, July 4\(^{th}\), the first Monday in September, Thanksgiving Day or Christmas shall receive one and one-half times the employee’s regular rate of pay and up to eight hours of holiday credit for all hours worked on the holiday.

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\(^1\) CoBen, or Consolidated Benefits, is the State’s combined contribution toward the employee’s health, dental, and vision coverage.

\(^2\) Under this formula, the employer contribution for single-party coverage is 80 percent of that year’s weighted average premium of the four plans with the highest employee enrollment (80 percent for dependent coverage).
• Departments who have employees in State-owned housing will increase rents consistent with the Fair Market Value. Additionally, utilities will now be reimbursed to the State based on the Fair Market Value.

• Personal Development Leave: BU 7 employees will have two days of personal development leave per fiscal year for activities that promote professional and/or personal growth. Employees must use the two days within the fiscal year they are granted. The days cannot be accumulated or cashed-out.

• If another bargaining unit currently without a contract enters into an agreement that does not have pension reform and provides a greater value than that provided to BU 7, CSLEA may reopen related economic provisions of its MOU and meet and confer to discuss the similar or equivalent increases to be provided to CSLEA.

V. Duration

• First of the month following ratification through July 1, 2013

VI. Fiscal

• FY 10/11 Savings (Net): $37.8 million (GF=$11.2 million and OF = $26.4 million)

• Total Savings (Net): $24.5 million (GF = $7.8 million and OF = $16.6 million)

VII. Agreement

• The complete Tentative Agreement between the State and CSLEA (BU 7) is posted at: http://www.dpa.ca.gov/bargaining/contracts/index.htm