



George Deukmejian, Governor

TO: PERSONNEL MANAGEMENT LIAISONS

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THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

PERSONNEL OFFICERS

SUBJECT: Collective Bargaining Status and Benefits

Currently, employees who are designated confidential, supervisory, and managerial under the Ralph C. Dills Act receive certain leave and other benefits that exceed those provided to other employees. This memorandum outlines how these additional benefits are affected when these employees move to another collective bargaining category.

I. Voluntary Movements (Promotion, Transfer, Demotion)

Consistent with existing policy, when an employee voluntarily moves to a position in another category on a permanent, limited term, or temporary basis, the employee's collective bargaining identification (CBID) and benefits (except on-going NDI payments) will be changed immediately to reflect the employees new appointment.

A. Leave Credit

The employee will retain leave credits already earned and the department may give employees a reasonable opportunity to reduce any leave balances that exceed those applicable to the new CBID. However, all future leave earnings will be at the rates and under the terms provided for the new CBID.

Employees in the annual leave program remain in the program regardless of their new CBID.

B. Nonindustrial Disability Insurance (NDI)

NDI payments in progress would continue at the same rate. The payment rate for any new claim period will be consistent with the new CBID.

C. Life Insurance

Employees enrolled in the State-paid basic group term life insurance may convert their coverage to a private life insurance policy without evidence of insurability. Conversion application must be requested from the Benefits Division at the Department of Personnel Administration (DPA) within 30 days of loss of eligibility for the group term coverage.

D. Long Term Disability

Employees who become ineligible for Long Term Disability (LTD) due to a CBID change may continue their coverage for a maximum of 2 years by paying the premiums by check through the Department of Personnel Administration (DPA). The employee is responsible for making these arrangements with Benefits Division staff. (Employees whose time base becomes less than 1/2 time are not eligible to maintain LTD coverage.)

II. Adverse Actions, Probationary Rejections, Mandatory Reinstatements

Movements resulting from these actions will be handled as specified above for voluntary movements.

III. Involuntary Transfer - Within Same Class or Between Classes

Involuntary transfer includes certain movements from supervisory to rank-and-file positions and reassignment of confidential employees to nonconfidential positions.

As is currently the case, when the transfer is involuntary (but without fault) on the employee's part, the CBID will change immediately to reflect the new position. Leave balances, leave earning rates, Annual Leave, LTD and NDI payments will be handled as outlined above for voluntary transfers. However, changes in other benefits will be handled as follows:

A. Life Insurance

Where an employee's benefit is reduced or eliminated, the employee will be kept in the group plan at State expense for one year to give the employee a reasonable opportunity to shop for and purchase new coverage. At the end of the one year period, the employee may convert the coverage to a private policy without medical review. The new premium will be at the employee's expense.

Departments should use the following procedures to initiate the one year life insurance extension.

1. Send a notice to the Department of Personnel Administration, Benefits Division, 1515 S Street, North Building, Suite 400; P.O. Box 944234, Sacramento, CA 94244-2340 indicating the employee's name, social security number, and home address; the employee's old and new CBID; and the effective date of the CBID Change.
2. With the notice, enclose a check paying for one year of insurance coverage. The check should be made payable to Cal West/American General. It should be for the amount indicated below:

<u>Former CBID</u>	<u>New CBID</u>	<u>Amount</u>
Managerial, Confidential or Excluded	Supervisory	\$70.56
Managerial	Represented	\$141.00
Supervisory, Confidential or Excluded	Represented	\$70.56

3. When more than one employee becomes subject to these provisions in a particular month, a single notice and check, covering all employees should be submitted.

B. Enhanced Dental Care

Eligibility for enhanced care will be discontinued immediately except that all work already scheduled when the employee was notified of the transfer may be completed. This will typically be dental work for dependents. In these cases, the coverage should be continued until the current phase of any already scheduled work is completed.

The difference between enhanced and regular coverage is in the benefit level for certain work performed on dependents. Employees whose covered dependents have this type of work already scheduled should be advised to have them complete it within the 30 days that will normally elapse before the insurance coverage change takes effect. In the unusual instances in which this is not possible, the employee's enhanced coverage may be extended until the scheduled work is completed. Departments should delay initiating paper work to change the employee's dental coverage until the agreed upon date is reached.

C. Enhanced 1959 Survivor Benefit

If an eligible employee transfers to a noneligible position, the enhancement will end.

D. Catastrophic Timebank

Employees receiving time from the bank when they transferred may continue to receive available time from the bank until the specific episode related to the catastrophic illness or injury has ended.

E. Sale of Residence

When a nonrepresented employee accepts an assignment that requires the sale of their residence, the employee has two years to file a claim for home sale costs. Other employees have only one year to file a claim. Employees who are involuntarily transferred out of the nonrepresented category would continue to have two years to file a claim for any qualifying home sale that was required by the involuntary move or that occurred less than two years before it.

IV. Temporary Assignments - General

This and the next section apply to temporary assignments covered by Government Code Section 19994.7. These include training and development assignments, assignments made because of compelling management need, and return to work assignments for injured employees.

Except for confidential positions, temporary assignments will not affect the employee's CBID or benefits. These will remain unchanged during the assignment since the employee is continuing to serve under the same civil service appointment.

Because the number of confidential positions is limited by collective bargaining agreements, different procedures, as outlined below, are required for temporary assignments involving movement between confidential and represented positions.

V. Temporary Assignments - Confidential Positions

When an employee in a confidential position accepts a temporary assignment to a represented position, the employee's designation will be changed while they are on the assignment. (This should be an assignment as outlined below, rather than through a transaction submitted to the Controller's Office.) They will continue to receive confidential benefits at State expense during its course. This would still obligate the employee to pay union or fair share dues where applicable. The written documentation required for these assignments should include statements indicating that (1) the employee's benefits will remain unchanged through its duration, and (2) for collective bargaining purposes, the employee will have the rights, privileges and obligations of employees in the bargaining unit containing the temporary assignment position. A copy of this should be sent to the DPA Labor Relations Division so an updated count of confidential employees can be maintained. For the same reason, DPA should also be notified when these assignments are concluded.

When the bargaining unit in question has a fair share provision in its agreement with the State, the appointing power should also give written notice to the unit's exclusive representative indicating that the employee will be subject to fair share deductions during the assignment. A copy of this notice should be sent to the State Controller's Office, Personnel/Payroll Services Division, Deduction Unit, P.O. Box 942850, Sacramento, CA 94250.

When an employee accepts a temporary assignment into a confidential position, the employee's CBID will be changed to confidential and the employee will receive benefits accordingly. When the employee returns to their former position upon the conclusion of the assignment, the employee will immediately revert to the benefit package and CBID consistent with their position.

VI. Redesignation of Managerial Position

Upon redesignation of a managerial position to supervisor, confidential or represented the incumbent will retain all managerial benefits and receive future benefit enhancements as long as they remain in the same position. When the position is vacated the former incumbent will be subject to the applicable provisions of this memorandum.

Questions on these provisions may be referred to Bruce Crain of the Policy Development Office at (916) 324-0530 or ATSS 454-0530.



Lillian Rowett
Deputy Director