

**DEPARTMENT OF PERSONNEL ADMINISTRATION
SUMMARY OF COLLECTIVE BARGAINING AGREEMENT
FOR BARGAINING UNITS 1, 3, 4, 11, 14, 15, 17, 20, AND 21
2008-2010 MEMORANDUM OF UNDERSTANDING**

**Exclusive Employee Representative
Service International Employees Union (SEIU), Local 1000**

Revised April 13, 2009

Number of Employees: Approximately 86,782.91 full-time represented equivalents and 18,800 related excluded employees.

Savings/Costs in millions:

	2008/2009		2009/2010		Total	
	GF	OF	GF	OF	GF	OF
Savings						
SEIU MOU	\$ 52	\$ 60.6	\$128.5	\$147.9	\$180.5	\$208.5
Excluded	\$ 15.3	\$ 19	\$ 36.8	\$ 45.6	\$ 52.1	\$ 64.6
Costs						
SEIU MOU	\$ 4.4	\$ 5.1	\$ 20.5	\$ 21.9	\$ 24.8	\$ 27
Excluded	0	0	0	0	0	0
Net Savings	\$ 63	\$ 74.5	\$144.8	\$ 171.6	\$207.8	\$246.1

I. Compensation

Mandatory Personal Furlough Leave Program (PFLP)

- Effective February 2009 through June 30, 2010, all employees in Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20 and 21 will be furloughed 1 day per month for 17 months. For most employees 1 day is equivalent to 8 hours per month. This “self-directed” furlough program will reduce take home pay by 4.62%.

This program will be in lieu of the Governor’s 2 day per month furlough program, established by executive order beginning February 1, 2009 and extending through June 30, 2010. Since these employees’ take home pay will have already been reduced for 4 furlough days in February and March, DPA and SEIU will work together to equitably spread out the remaining furlough pay reductions over the remaining months of the contract.

Employees will be given personal discretion to use PFLP time in cooperation with their managers. Employees receive no cash value for leave credits accrued under the PFLP and must use accrued PFLP time by July 1, 2012. Unused PFLP time cannot be carried over beyond that date.

The PFLP will not negatively impact an employee’s retirement or other employer paid benefits, or service credit for the purposes of computing benefits or leave credits. AB 964 amends laws governing CalPERS and CalSTRS to ensure this provision.

Salaries

- Effective February 2009 through June 30, 2010, all employees in Bargaining Units 1, 3, 4, 11, 14, 15, 17, 20 and 21 will have pay reduced by 4.62% under the PFLP.
- There shall be no general salary increases during the term of the MOU with the following exception:
 - Seasonal Clerk Pay Increase - Effective April 1, 2009, the hourly pay rate for the Seasonal Clerk Classification will increase \$0.50 per hour (monthly pay rate \$1504.50 - \$1707.30).

Overtime

- The tentative agreement, dated February 13, 2009, exempts sick leave from being counted in the computation for overtime. In addition, the contract also explicitly states that should the Legislature enact any provision allowing the State to exclude leave from the computation of overtime, that provision, to the extent that it be in conflict with the MOU, would be controlling over and immediately supersede the provisions of the MOU without further action.

The Legislature subsequently enacted, and the Governor signed, SBX3 8 (Chapter 4, Statutes of 2009, chaptered February 20, 2009), which excludes all leave from being counted as time worked for the purpose of computing overtime.

Therefore, no leave may be used in computing overtime. For example, if an employee is required to work for 40 hours in a week before earning overtime, he or she must actually work 40 hours on the job before earning premium pay for overtime. Time spent on leave for sick leave, vacation, or any other type of leave may not be counted in the 40 hours of work needed to begin accruing overtime.

Voluntary Personal Leave Program (VPLP)

- The State shall provide employees currently participating in the VPLP a 60 day window period to opt-out and/or modify their VPLP participation.

No Layoff

- From February 1, 2009 through June 30, 2010, the PFLP period, layoffs will be limited to departmental closures of programs, facilities or offices. This provision sunsets June 30, 2010.

Employees may be required to accept jobs in other departments. They will be assured of retaining their state employment in positions that are within 50 miles of current employment and 10 percent of current pay. An employee who is offered a job placement and rejects it would be subject to layoff.

II. Health Benefits

Employer Contribution

- Employees in Bargaining Unit 3 will receive health benefits under the State's "80-80" formula beginning the February 2009 pay period. 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, and 80 percent for dependent coverage. This benefit is currently provided to the other 8 bargaining units represented by SEIU.
- For the purpose of mitigating the fiscal effects of the furlough during the term of this agreement, employees enrolled in one of three health care plans on January 1, 2009 (Blue Shield Access+, Blue Shield Net Value, and Kaiser HMO) will receive an additional premium contribution amount to compensate for small increases to the employees' share of the Health Benefit premiums. Amounts are \$13.78 (single), \$29.96 (2-party), and \$43.72 (family).

On and after January 1, 2010, a similar pickup for employees enrolled on that date will be paid if there are premium increases in 2010.

III. Miscellaneous

Business and Travel Expenses

- The daily meal and incidental rates will be increased from \$40 to \$55 per day while employees travel for the State. This is the average meal reimbursement rate in California for federal employees. The last increase in meal reimbursement rates for state employees occurred in 1999.

The cost estimate of savings for this contract does not take into account the increased per diem rates. That is because the increase will be absorbed by departments in their current budgets. If travel budgets remain flat or are reduced, departments may have to reduce employee travel proportionally.

- The contract states the current practice of providing reimbursement for the cost of up to two checked bags when flying. Employees are already being reimbursed for this cost, but the contract makes the two-bag limitation clear.

State-Owned Housing – Rental Rate Freeze

- Rent in State-owned housing shall remain unchanged during the furlough period (from February 1, 2009 – June 30, 2010).

Holidays

- Effective March 1, 2009, the February 12 and Columbus Day holidays will be eliminated. (Elimination of the two holidays for all state employees was also codified in SBX3 8, Chapter 4, Statutes of 2009).
- Employees shall receive 2 personal holidays. Personal holidays can be used at the employees' discretion.

State Disability Insurance (SDI)

- Current state employees not covered by the SDI program who transfer into an SEIU Bargaining Unit shall maintain NDI (Non-industrial Disability Insurance) coverage for 6 months (waiting period for SDI eligibility).

The Institute for Quality Public Services (Joint Labor Management Trust)

- The State shall set aside one million dollars for the establishment of a continuing education and professional development institute. This money will be made available on July 1, 2009 after development of trust documents meeting all state and federal requirements.

IV. Duration

- SEIU's prior contract expired on June 30, 2008. This new agreement is effective from July 1, 2008 through June 30, 2010. The economic provisions become effective during the February 2009 pay period upon approval by the Legislature unless otherwise stated in the agreement. SEIU's membership ratified the agreement in a vote taken on March 19th and 20th.

V. Agreement

- The complete Tentative Agreements between the State and all nine bargaining units represented by SEIU, Local 1000 are posted on the Department of Personnel Administration's Contracts page: <http://www.dpa.ca.gov/bargaining/contracts/index.htm>

VI. Impact on Related Excluded Classes

- Related excluded and exempt employees shall be subject to the 1 day per month self-directed furlough and related decrease in take home pay, effective February 1, 2009. They will receive the increased meal and incidental reimbursement rate.
- Excluded and exempt employees will not receive the health care contribution increase.
- Related excluded classes employed at the Legislative Analyst's Office and the Bureau of State Audits will not be included in the related excluded classes impacted by this agreement.