

HUMAN RESOURCES MEMORANDUM: 10:028A

Expiration Date: Until Superseded

Issue Date: November 23, 2010
To: Managers and Supervisors, Personnel Liaisons and Attendance Clerks
Subject: **UPDATED:** New Labor Contracts with SEIU for Bargaining Units 1, 4, 11, 14, and 15

PLEASE ENSURE THAT THIS INFORMATION IS SHARED WITH YOUR EMPLOYEES

Purpose The purpose of this memorandum is to inform employees of the new agreements for retirement contributions and formulas, holiday and overtime compensation, the Personal Leave Program, Professional Development Days, and Special Salary Adjustments for employees in Bargaining Units (BU) 1, 4, 11, 14, and 15.

Who is Affected Represented employees in BUs 1, 4, 11, 14 and 15 with the collective bargaining identifier (CBID) R01, R04, R11, R14 and R15.

Retirement Contribution The agreements increase employee retirement contributions by an additional three percent (3%) for new employees and for all employees in these bargaining units.

Effective November 2, 2010, the employee retirement contribution rate is as follows:

Retirement Categories	Increased Retirement Contribution
Miscellaneous/Industrial/ARP - w/SSI	8% in excess of \$513/mo.
Miscellaneous/Industrial/ARP - No SSI	9% in excess of \$317/mo.
State Safety	9% in excess of \$317/mo.
Second Tier	0% Second Tier

Retirement
Formula
Changes

The retirement formula and method of calculating final compensation for SEIU-represented employees first employed with the State on or after January 15, 2011 with no prior service will be as follows. "Prior State employment" includes any State service (such as part-time, seasonal, or temporary employment) that can be purchased as CalPERS service credit.

Retirement Categories	New Employee Retirement Formulas
Miscellaneous/Industrial/ARP	2% at age 60 formula based on 3-year highest compensation
State Safety	2% at age 55 formula based on 3-year highest compensation
Second Tier	1.25% at age 65 formula based on 3-year highest compensation

Payroll Processing and Retirement Codes

The State Controller's Office will be issuing a payroll letter to provide additional instructions along with new retirement codes.

The Department of Personnel Administration (DPA) is updating the Alternate Retirement Program (ARP) [Eligibility Worksheet](#) on DPA's web site (under HR Staff tab). The worksheet assists personnel staff in determining ARP eligibility and which ARP retirement code to apply.

Additional Retirement Information

Retirement contributions are based on bargaining unit agreements. If an employee transfers from one bargaining unit to another, the retirement contribution may be different. Personnel staff can verify the accurate retirement contribution by reviewing the [bargaining contracts](http://www.dpa.ca.gov/bargaining/contracts/index.htm) located on DPA's web site; <http://www.dpa.ca.gov/bargaining/contracts/index.htm>.

Personal
Leave
Program
2010
(PLP 2010)

Effective November 2, 2010, all SEIU employees (including employee's previously excluded from the furlough program) will be credited with PLP 2010 credit on the first day of each pay period for 12 consecutive pay periods in the manner outlined below:

Full-Time Employees

Full-time employees shall have a reduction in pay equal to 4.62% and eight (8) hours of leave will be credited to the employee's PLP 2010 leave balance.

Part-Time Employees

Part-time employees shall be subject to the same conditions as full-time employees, on a pro-rated basis. The pro-ration shall be determined based on the employee's time base consistent with the chart below.

<u>Time Base</u>	<u>PLP 2010 Credit</u>
1/10	1
1/8	1
1/5	2
1/4	2
3/10	3
3/8	3
2/5	4
1/2	4
3/5	5
5/8	5
7/10	6
3/4	6
4/5	7
7/8	7
9/10	8

Permanent Intermittent and Special School Employees

Permanent Intermittent and Special School employees shall be subject to the pro-ration of salary and PLP 2010 credits pursuant to the chart below:

<u>Hours Worked During Pay Period</u>	<u>PLP 2010 Credit</u>
0 to 10.9	0
11 to 30.9	1
31 to 50.9	2
51 to 70.9	3
71 to 90.9	4
91 to 110.9	5
111 to 130.9	6
131 to 150.9	7
151 or over	8

PLP 2010 credit must be used before any other leave with the exception of furlough and sick leave. Employees may elect to use PLP 2010 credits in lieu of sick leave. PLP 2010 credits shall be requested and used by the employee in the same manner as vacation/annual leave and in accordance with departmental policies. All PLP 2010 credits earned must be used prior to June 30, 2013. PLP 2010 shall have no cash value and may not be cashed out.

PLP 2010
(continued) Employees on NDI, ENDI, IDL, EIDL, or Worker's Compensation for the entire monthly pay period are excluded from the PLP 2010 Program for that pay period. Employees off for partial months shall receive PLP 2010 credits based on the intermittent chart above.

During the PLP 2010 period, the State will not be subject to furloughs.

Seasonal and temporary employees are not subject to the PLP 2010.

Employees newly hired on or after November 2, 2010 into a SEIU-represented classification while the PLP 2010 is in effect will be subject to this program for its duration.

Participation in the PLP 2010 will be based on the classification an employee moves to when transferring between classifications/BUs that have different PLP ending dates. An employee shall have no more than 12 months of PLP 2010 participation.

Example: If an employee in an SEIU-represented classification transfers to a BU 12 classification on December 1, 2010, the employee shall continue to participate in the PLP 2010 until September 1, 2011.

Time during which an employee is excused from work because of PLP 2010 time shall not be considered as "time worked" for purposes of determining the number of hours worked in a work week.

PLP 2010
PAL Alias PLP 2010 usage must be reported in PAL using one of the appropriate PLP 2010 aliases. The Global Leave Alias list has been updated to reflect the PLP 2010 aliases and is available to view at the PAL webpage;
<http://pal.dgs.ca.gov/default.htm>.

Holidays Lincoln's Birthday and Columbus Day are no longer paid State holidays. Employees shall receive premium compensation (one and one half the hourly rate) for working on the following holidays:

- January 1st
- The last Monday in May
- July 4th
- The 1st Monday in September
- Thanksgiving Day
- December 25th

All other holidays shall be compensated at straight-time pay and eight hours of holiday credit as provided by GC Section 19853, and PML 2009-040 (<http://www.dpa.ca.gov/personnelpolicies/pmis/2009/html/2009040.htm>).

Overtime For the purposes of calculating overtime, leave time is not included in the overtime calculation for Bargaining Units 1, 4, 11, 14 and 15.

Bargaining Unit 15 has special provisions that address overtime calculations refer to the MOU for further direction.

Professional Development Day (PDD) The State shall provide to all employees two days per fiscal year for activities such as professional association activities, professional and/or personal development seminars, etc., to promote professional and/or personal growth and to enhance professional and/or personal goals. These activities are at the employee's expense and therefore the choice of activity is at the employee's discretion. Supervisors shall not request documentation for this time. This time shall be requested and approved in the same manner as vacation/annual leave. PDD time can be used in one hour increments. The one hour incremental usage is only applicable to Bargaining Units represented by SEIU. PDD must be used within the fiscal year it is granted and not accumulated or cashed out. PDD will be available for the 2010/2011 fiscal year as of November 2, 2010.

Special Salary Adjustment Effective July 1, 2013, all SEIU represented classifications (excluding Seasonal Clerks) shall be adjusted by increasing the maximum step of the pay range by 3%. Employees at the old maximum salary range for a minimum of twelve (12) qualifying pay periods shall receive a 3% increase. Employees at the old maximum salary rate for less than twelve (12) qualifying pay periods shall receive a new salary anniversary date based on qualifying service. Qualifying service toward the twelve (12) qualifying pay periods shall be in accordance with DPA Rules 599.682(b) and 599.687. All other employees shall retain their salary and merit salary anniversary date (MSA).

Effective July 1, 2013, 50 cents will be added to each salary rate of the Seasonal Clerk classification.

Furlough Program The Temporary Furlough Program that began August 2010 ended November 1, 2010 for SEIU-represented employees.

Questions Direct questions to your assigned Personnel Analyst or Personnel Specialist.

/s/
JILL ELLWOOD, Manager
Labor Relations and Program Improvement
Office of Human Resources