

JULY 11
2012

UNION UPDATE

Members ratify cost saving agreement

Side letter trades pay for time off, creates task force to cut outsourcing

Local 1000 members have ratified an agreement with the governor over the terms of a temporary compensation compromise.

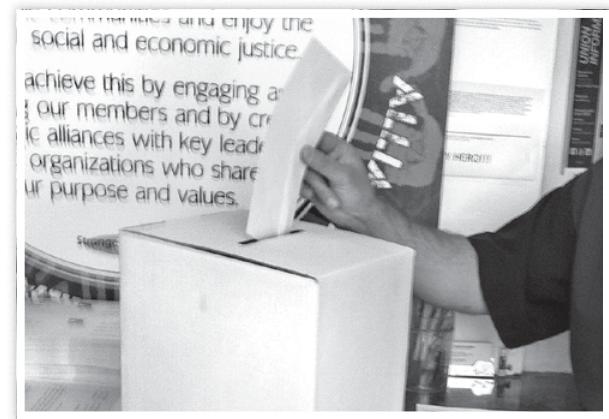
Of voting members, 65.76 percent cast ballots in support of the side letter agreement, which allows the state to cut costs during challenging economic times and initiates a strong, new process to stop outsourcing state jobs.

"Because Local 1000 chose to negotiate with the governor rather than let our members be subject to imposed furloughs, we were able to achieve important solutions that went beyond a pay reduction in exchange for time off," Local 1000 President Yvonne R. Walker said.

"This agreement eliminates student assistants and non-mission critical retired annuitants," Walker added. "More importantly, this side letter creates an outsourcing task force that will identify and reduce or eliminate wasteful private vendor contracts. This is solid progress on a problem we have been fighting for years."

Members participated in voting at nearly 100 sites throughout California on June 27. The ballots were counted by hand on July 2.

Although a side letter agreement does not require ratification by the membership, the elected bargaining team felt that front-line Local 1000



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—Yvonne R. Walker, President, Local 1000

members should have the opportunity to weigh in on the agreement.

Here are some of the basic terms of the agreement:

- The salary of Local 1000-represented employees would be reduced by 4.62 percent for 12 months, ending July 1, 2013.
- Employees receive eight hours time off per month, taken at the employee's discretion in the same month it is earned.
- All our other benefits and worker protections in our contract remain the same, including a 3 percent raise for employees at the top step on July 1, 2013.
- There is no impact on our pension plan.

- Student assistants and non-mission critical retired annuitants will be eliminated.
- Student assistants and non-mission critical retired annuitants will not be hired while PLP 2012 is in effect.

A new outsourcing task force will be created to identify and reduce or eliminate wasteful private vendor contracts.

"If we had simply refused to bargain with Gov. Brown, we would have been stuck with whatever terms he imposed with the Legislature," said Margarita Maldonado, vice president for bargaining.

"By stepping up and engaging in the process, we were able to obtain an agreement that is more fair, more flexible and makes progress on outsourcing," Maldonado added.

UNION INFORMATION

Resource Center

Monday-Friday
7 a.m. to 7 p.m.
866.471.SEIU (7348)

Website
seiu1000.org

Connect with Local 1000

Facebook
facebook.com/seiu1000

YouTube
youtube.com/seiu1000

Twitter
twitter.com/seiu1000

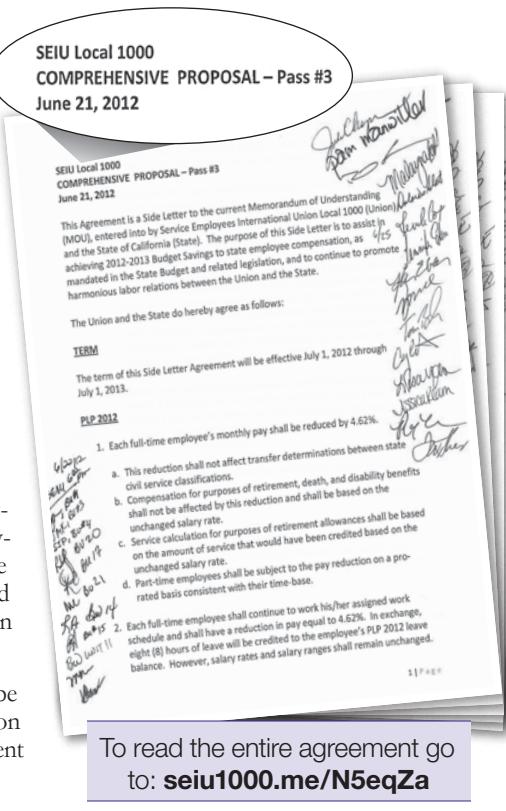


Highlights of Ratified Side Letter Agreement

TERM: This agreement is effective July 1, 2012 through July 1, 2013.

PLP 2012

1. Each full-time employee's monthly pay shall be reduced by 4.62 percent.
- a. This reduction shall not affect transfer determinations between state civil service classifications.
- b. Compensation for purposes of retirement, death, and disability benefits shall not be affected by this reduction and shall be based on the unchanged salary rate.
- c. Service calculation for purposes of retirement allowances shall be based on the amount of service that would have been credited based on the unchanged salary rate.
- d. Part-time employees shall be subject to the pay reduction on a pro-rated basis consistent with their time-base.



To read the entire agreement go to: seiu1000.me/N5eqZa

2. Each full-time employee shall continue to work his/her assigned work schedule and shall have a reduction in pay equal to 4.62 percent. In exchange, eight (8) hours of leave will be credited to the employee's PLP 2012 leave balance. (**Go to seiu1000.org for special language that applies to the schedules of Unit 3 educators.**) However, salary rates and salary ranges shall remain unchanged.
3. Employees will be given maximum discretion to use PLP 2012 subject to severe operational considerations. PLP 2012 must be used before any other leave with the exception of PLP 2010 and sick leave. Employees may request to use PLP 2012 in lieu of approved sick leave. PLP 2012 shall be requested and used by the employee in the same manner as vacation/annual leave, personal leave days, or personal necessity leave. Subject to the above, requests for use of PLP 2012 must be submitted in accordance with departmental policies on vacation/annual leave, personal leave days, or personal necessity leave. PLP 2012 leave credits shall not be included in the calculation of vacation/annual leave balances pursuant to Article 8.

- 3.1 When severe operational considerations prohibit the use of PLP 2012 in the month it is accrued, the time shall be available for use at a later time. The PLP 2012 shall be used before any other leave, except sick leave and PLP 2010. For the purposes of this section, an approval can

be a time frame of one or more consecutive days.

4. When an employee is approved to use PLP 2012, and the approval is subsequently rescinded on two separate, consecutive occasions, the employee's third approval for PLP 2012 shall not be rescinded even for operational needs.
5. A State employee shall be entitled to the same level of State employer contributions for health, vision, dental, flex-elect cash option, and enhanced survivor's benefits he or she would have received had the PLP 2012 not occurred.
6. PLP 2012 shall not cause a break in State service, a reduction in the employee's accumulation of service credit for the purposes of seniority and retirement, leave accumulation, or a merit salary adjustment.

RETIRED ANNUITANTS

The State shall eliminate all non-mission critical retired annuitants, who are performing SEIU Local 1000 bargaining unit work, by September 1, 2012. No retired annuitants shall be hired while PLP 2012 is in effect unless there is a mission critical need.

STUDENT ASSISTANTS

The State shall eliminate all non-represented student assistants/student aides/residential aides, who are performing Local 1000 bargaining unit work, by September 1, 2012. No non-represented student assistants/student aides/residential aides who are to perform SEIU Local 1000 bargaining unit work shall be hired while PLP 2012 is in effect.

OUTSOURCING TASK FORCE & COST SAVINGS

Both the Union and the State believe that savings may be achieved over the next fiscal year through the reduction of outsourcing, retired annuitants, and student assistants. A task force of Local 1000 members and the state will meet in November 2012 to look at methodology for achieving these savings. Beginning in January 2013, the task force will meet to identify the amount of savings achieved and identify further solutions.