

CAPSule

E-Mail CAPS at: caps@capsscientists.org

Website: www.capsscientists.org

March 2014, Issue #14-03

State Report Triggers Changes



A February 27 report on modernizing state human resources processes was immediately followed by the departure of Governor Brown's employee relations chief, CalHR Director Julie Chapman. The rather abrupt retirement of Ms. Chapman after a decades-long career in state government was followed by the interim assignment of Richard Gillihan of the Department of Finance to fill the CalHR director's job. Other high level personnel changes at CalHR quickly followed.

The Little Hoover Commission faulted CalHR under Chapman's tenure for not "reforming" state government quickly enough. Citing testimony from a November 2013 public hearing, the Commission found: *"17 months after implementation of the reorganization plan, CalHR still lacks a department-wide strategic plan and a sophisticated method for measuring its progress. The department also has been slow or inactive on key components of the reorganization plan, including delegating decision-making authority to departments, establishing best practices and setting performance measures."*

The "reorganization" described by the Commission was a two-part retooling engineered by Governor Brown which created the California Department of Human Resources (CalHR) in 2012. That sweeping change consolidated many of the state's personnel functions into CalHR, with the promise of greater efficiency and better customer service to everyone served by CalHR. Then in 2013, the second half of the reorganization saw the creation of the Government Operations Agency, which currently provides oversight to CalHR, the State Personnel Board and several other state "control" agencies.

This is significant because CAPS has been a leading partner in "reforming" the civil service structure of state scientists. Unfortunately, consolidating and modernizing the state's scientific classifications has moved too slowly—largely because CalHR takes too long to make decisions, and too long to implement them once they are made. Results would vastly improve if the state would agree to add badly needed salary increases to the mix. In CAPS' view, an essential component of successful civil service reform is making the state a competitive employer. Why modernize the jobs of state scientists if too few candidates are attracted to them? This is the message that CAPS has delivered at the bargaining table, to the Government Operations Agency, and to everyone in the Brown Administration in a position to do something about it.



The failure of CalHR to deliver on anticipated improvements to the state's human resource processes under the Brown Administration follows even more spectacular failures during the Schwarzenegger Administration. Those years produced disappointing results from the California Performance Review (CPR) and the Human Resources Modernization (HR Mod) project. Both started with real promise, but ended with little to show for the effort.

CAPS' efforts continue on a more limited scale with the cooperation of CalHR and many state departments. The intent: reduce the number of scientific classifications, update the class specifications, and centralize testing where possible. While all this makes sense and has benefits to all concerned, CalHR has been painfully slow to deliver a statewide promotional "consortium" for the Senior Environmental Scientist exam, for example. CAPS is pushing to see this exam completed. Most importantly, salary ranges for all revised classifications *MUST* reflect competitive salaries before any new agreements are reached on classification "reform."

California State Scientists ... Knowledge, Innovation, Protection

455 Capitol Mall, Suite 500, Sacramento, CA 95814 • (916) 441-2629

215 N. Marengo Avenue, Suite 185, Pasadena, CA 91101 • (818) 246-0629

1 Sutter Street, Suite 800, San Francisco, CA 94104 • (415) 861-6343

CAPS Announcement • (916) 444-2111 CAPS Insurance • (415) 958-1344



EnCAPSulations...

CAPS Hits the Airwaves. Starting the week of March 3, the CAPS message promoting the important work of state scientists began airing on public radio stations in Sacramento, San Francisco and Los Angeles. The spots will run on weekdays in all three markets through the end of March.

DTSC Senior Environmental Scientists Earn Overtime.

The State Controller's Office reports that Toxics paid former Senior Hazardous Substance Scientists (Specialists) collectively over \$15,000 in overtime payments in calendar year 2013. While few expected that DTSC Senior Scientists would ever see any overtime, CAPS expects some level of overtime to continue.



CAPS Files Grievance Over DFW Timekeeping Practices.

The Department of Fish and Wildlife has implemented a sweeping change in timekeeping practices by Environmental Scientists statewide. The changes have proven to be confusing and significantly different from the department's long-standing timekeeping practices, and no advance notice was provided to CAPS. Consequently, CAPS has filed a grievance. Any affected member who is finding the practice to be onerous or damaging should contact CAPS: caps@capsscienists.org.



Environmental Scientist's Range Placement Gets Corrected.

An ES with a Ph.D. in a biological science was incorrectly placed in Range A when she was first hired by DFW in 2011. According to the Alternate Range Criteria in effect at the time, she was supposed to be placed in Range B. She tried to resolve the situation with personnel on her own, to no avail. She then contacted the CAPS Pasadena office. Jesse Rodriguez contacted DFW and got them to address her issue by retroactively correcting her range placement and starting the process on back pay.

Unfunded State Retiree Health Care Costs. As long as the state doesn't set aside money pre-funding this benefit, the liability keeps increasing. State Controller John Chiang on March 6 released a report showing the

unfunded liability of \$64.6 billion for health and dental benefits owed to current and future state retirees. The actuarial accrued liability is an estimate of the present value of benefits owed to current and future retirees as of June 30, 2013. The unfunded obligation grew \$730 million in one year, from the \$63.8 billion as of June 30, 2012. The good news is that the accrued liability grew \$2.7 billion *less* than expected due to fewer healthcare claims, lower-than-expected healthcare inflation and the adoption of strategies by CalPERS to lower health care costs. CAPS has long expected this issue to be brought up at the bargaining table, but so far it hasn't. A couple of other bargaining units already set aside some money for post-retirement benefits, notably the Highway Patrol, which has been flush with pay raises in recent years and presumably can afford to set the money aside in lieu of a salary increase.



Warren Buffett Warns of Pension Tapeworm.

According to *Bloomberg.com*, "Public pension plans threaten the financial health of U.S. cities and states more than taxpayers realize," billionaire investor Warren Buffett said. "Citizens and public officials typically under-appreciated the gigantic financial tapeworm that was born when promises were made," Buffett wrote in his annual report to shareholders of Berkshire Hathaway Inc. (BRK/A) released on March 1. "During the next decade, you will read a lot of news -- bad news -- about public pension plans." Fortunately, the state employee pensions administered by CalPERS continue to be sustainable.



Sac STEM Fair Set for March 22.

The Synopsys Sac STEM Fair (formerly the Sacramento Regional Science and Engineering Fair) is going to be bigger and better than ever! There are over 600 students participating from 11 counties. Many state scientists have volunteered to help support the kids by judging projects. Find more at www.sacstemfair.org.

May 17 CAPS Board of Directors Meeting. Downtown Plaza Holiday Inn will host this Saturday meeting, beginning at 9 a.m. That is a change from May 31. All members are welcome!

THE POWER OF **NO!**

"The 2014 – 15 pay increase is notable because it will be the first GSI for most classifications since 2007 – 08."

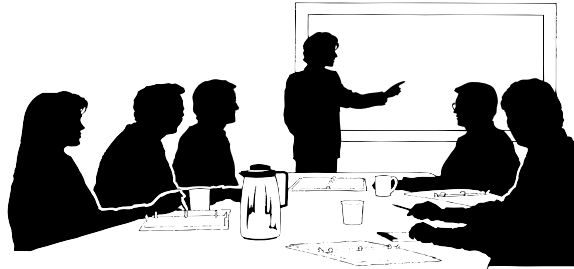
This sentence is an excerpt from a March 4, 2014 analysis of the Governor's 2014–15 state budget as it pertains to state worker salary, health benefits and pension costs. The report also points out that since 2007–08, some state workers "did receive pay increases for being at the top step of their classification and for working specific jobs." But it fails to mention that during this seven-year period, state scientists, and almost all state employees, were forced to endure years of mandatory unpaid furloughs of up to nearly 15% of salary. That was a mandatory and involuntary contribution to mitigate a series of deficit state budgets. But contribute we did. Now the state budget is healthy, with an uptick in revenues forecast for the foreseeable future.

CAPS is one of just three state bargaining units without a new collective bargaining agreement. That's because your CAPS Bargaining Team has said NO! to the deal reached last year by SEIU Local 1000 and subsequently followed by most other state employee groups. It's the same deal offered to CAPS, without modification: a general salary increase of 4.5% over three years, with the potential for 2% of that beginning July 1, 2014, but only in the event the director of the Department of Finance determines that revenues are available. Now it appears those revenues ARE indeed available, so most state employees will likely receive a 2% general salary increase July 1, 2014. Unless CAPS reaches agreement at the bargaining table, the salary increase won't be effective for state scientists. As we get closer to this date, I hear an increasing level of debate among CAPS members.

Most cite the history of the salary equity issue, and support the CAPS Bargaining Team's demand for salary equity. That would require a wage increase of approximately 30% for ALL state scientists.

Then there are many CAPS members who see the CAPS Bargaining Team's position as too rigid and unreasonable, and want a more "realistic" position on salaries at the bargaining table. They point out that CAPS lacks sufficient leverage to force a change in the Governor's position.

By David Miller, President



**"The final decision,
as always, is made by
you, the members."**

The CAPS Bargaining Team understands its role. That is to negotiate the very best deal possible, then present the results to the CAPS membership for ratification vote. The final decision, as always, is made by you, the members.

I don't think Governor Brown is concerned about a potential job action by state scientists. He shouldn't be. We aren't recommending it. We aren't going to recommend that state scientists endanger our jobs by withholding services, even temporarily.

However, there is power in saying NO!

NO! to a salary offer that fails to restore salary equity, or even make up for lost purchasing power.

NO! to an offer that fails to recognize the essential role state scientists play in protecting public health and safety.

NO! to the continuation of a salary program that puts state scientists at a competitive disadvantage with our professional colleagues in our workplaces, and with our local and federal government counterparts.

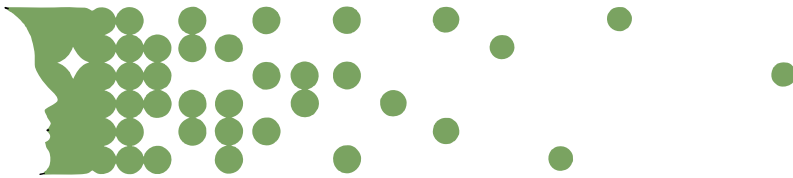
NO! when other larger, supposedly more powerful unions have said yes.

To those who would say that CAPS hasn't been doing enough, feel free to offer a better alternative.

I am proud that CAPS members continue to handle lower travel reimbursement rates in order to make the point that there MUST be a satisfactory agreement at the bargaining table.

Yes, a deadline is looming. Decision time will come later this spring when the ONLY way to achieve salary equity, and lock in our travel reimbursement rates, is to reach agreement at the bargaining table. In the meantime, your CAPS Bargaining Team is committed to saying NO! until Governor Brown makes an acceptable offer in contract bargaining.

Please continue to support CAPS in this effort. THANKS to one and all for providing consistent support thus far!



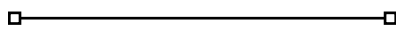
**CALIFORNIA ASSOCIATION OF
PROFESSIONAL SCIENTISTS**

● 455 Capitol Mall, Suite 500
Sacramento, CA 95814

PRESORTED
FIRST-CLASS MAIL
U.S. Postage
PAID
Permit No. 420
Sacramento, CA

CAPSule (ISSN 10446230) is published monthly by the California Association of Professional Scientists, 455 Capitol Mall, Suite 500, Sacramento, CA 95814. Periodicals Postage Paid at Sacramento, CA. POSTMASTER: Send address changes to: 455 Capitol Mall, Suite 500, Sacramento, CA 95814-2483.

In This Issue



- » *State Report
Triggers Changes*
- » *CAPS Hits the
Airwaves*
- » *The Power of No!,
by David Miller,
President*

State Scientist Day 2014

For the last 25 years, CAPS has sponsored State Scientist Day on the west steps of the State Capitol. This year is no different, with booths and hands-on demonstrations from dozens of state departments. The supporting cast consists of state scientists and other supportive employees. Crowding the grounds are thousands of students from grade schools near and far, all excited for a fun-filled field trip at the State Capitol. State scientists don't disappoint, with kid-friendly interactive displays showcasing the essential work of state scientists.



CAPS organizes the whole thing, and typically brings state lawmakers and other public officials to participate in the event. It's not only good public relations, but an important part of promoting state scientists with key decision makers. Best of all, it's lots of fun for the kids and everyone involved! Thanks to the many departments which year after year have supported State Scientist Day with time and materials from their scientific staff. Nearly two dozen departments that employ state scientists are scheduled to participate this year.

26th Annual

state scientist day 

May 14, 2014