

CAPSule

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CAPS Members Ratify MOU

CAPS members on September 11 gave the new CAPS MOU a resounding vote of approval. The final ballot count was 1,171 in favor (87%), and just 177 opposed (13%).

CAPS Bargaining Chair Patty Velez said this upon seeing the results: *"State scientists once again made an important decision in our long quest for salary equity. We look forward to working with Governor Brown in bringing important reforms to the state classification structure, and addressing the recruitment and retention needs of state scientists."*

Governor Brown later took the final step in the ratification process when he signed SB 879 on September 27. That authorized the State Controller to begin processing the \$1,000 bonus checks. Every state scientist should soon have a bonus check. CAPS promised those checks would be issued immediately upon ratification, and that meant as quickly as state bureaucratic and payroll processes would allow, in this case a couple of weeks after the ratification process is complete.

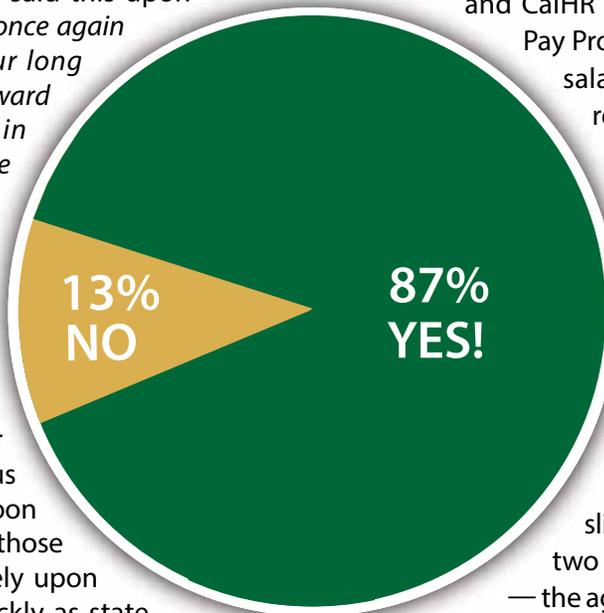
The CAPS Bargaining Team wasted no time. It began meeting with CalHR on the Reclassification and Pay Project on September 12, one day after the ratification vote. An online discussion forum was launched on October 7 to foster communication from members regarding the project. More than a hundred CAPS members have already signed up for the forum.

What makes this ratification vote somewhat remarkable is the last MOU was so resoundingly rejected by CAPS members. Key differences between the two documents are the term — the current MOU allows negotiations to proceed immediately and CalHR has agreed to a Reclassification and Pay Project that includes negotiation of new salary ranges for all state scientists. No results are guaranteed of course, but this was a very different commitment from the last tentative agreement.

That agreement was reached on May 22. It was soundly rejected by CAPS members — 69% opposed ratification. CAPS asked to resume negotiations immediately when ballots were counted on June 30. This led the CAPS Team to negotiate slightly more favorable terms. Again, the two key elements are the 10-month term — the agreement expires June 30, 2015 — and the opportunity to negotiate new salary ranges for the reconstituted classification structure.

The new CAPS MOU doesn't achieve salary equity. But it does include the next best thing: a clear pathway to get there. CAPS' ultimate goal: salary equity for ALL state scientists!

Thanks to everyone who cast a vote!



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CAPS MOU Available Online

The final version of the MOU is now available for viewing on the CAPS web page: www.capsscscientists.org. In order to prevent waste and save money, CAPS will not be printing hardbound copies of this short-term MOU. The webpage version is easily accessible and navigable. Some highlights:



Business and Travel, Section 6.1 The new, higher rates are effective October 1. CalHR has issued a memorandum implementing those increases. This is an important change, because so many state scientists are required to travel on state business. Reimbursement for travel claims since July 2013 remain in dispute, and are now subject to resolution through a CAPS court case.



Compensation, Section 2.1 The \$1,000 bonus checks are in process, and every Unit 10 scientist will receive a 3% general salary in July 2015. This is a marked difference from the terms provided in the MOU that was rejected by CAPS members. That agreement would have provided the standard package in this round of contract bargaining: 2% in July 2014 and 2.5% July 2015. So while the overall general salary increase provided by the current MOU is less, the contract term is shorter – just 10 months. This allows CAPS to negotiate for salary equity while most other bargaining units are living under the terms of their agreements until 2016.



Vacation Buyout, Section 3.1 Starting in 2015, state departments can offer scientists the opportunity to cash-out up to 20 hours of accrued vacation leave annually, based on availability of funds. The decision on whether to offer this vacation buyout will rest with each individual department. Based on what happened earlier this year, most departments likely will opt to make this offer. It's good for the departments because they reduce the long term financial obligation to employees, and obviously it's good for employees who may need a little extra cash.

Professional Development Plan, Section 15.9 New language requires the state to provide a written response within 30 business days to scientists who request a professional development plan that includes up to two (2) job-related professional conferences annually. The plan envisions reimbursement for travel, registration, materials, and state time, but it doesn't *require* state departments to fund professional development. CAPS obviously would prefer some minimum mandatory funding formula, but this is a positive step in that direction.



Career Development Training, Section 15.3

All state scientists are entitled to two paid days off per fiscal year for continuing education such as professional association activities, development seminars or other events that promote professional growth and enhance professional goals. The time off must be requested and approved just like vacation or annual leave. These days cannot be accumulated and must be used by the end of each fiscal year, June 30. These two professional development days replace the Columbus and Lincoln's birthday holidays.

Reclassification and Pay Project, Section 17.4.

This Project resumes with a projected completion date of January 30, 2015. It is one of the primary reasons this agreement was ratified when the last one was so resoundingly rejected. It requires that CAPS and CalHR finalize classification change packages by January 30, 2015. There are nine separate classification groupings, and those incorporate nearly all Unit 10 classifications. Most importantly, CAPS and CalHR "**shall endeavor to reach agreement regarding compensation related to these classifications.**" This is where CAPS hopes to achieve salary equity.



Health Care, Section 5.1 The MOU continues the formula that guarantees funding for health benefit premiums in accordance with the "80/80" funding formula. It requires an 80% state contribution based on averaging the monthly premiums of the largest four CalPERS health plans, and the same 80% average state contribution for dependents. Something the MOU **doesn't** do is dictate the makeup of the health plans offered to state employees, the types of services they offer, or premiums and copayments. All that is handled independently by CalPERS, which is responsible for negotiating the types of health plan offerings for state employees.



Dependent Health Care, Section 5.1

This MOU provides the full employer contribution after the first year of employment. This is a stark difference from years past, when newly hired state scientists were required to pay for an additional 50% of the cost of dependent health care during the first year of employment, and pay an additional 25% of the cost for the second year. It was a vestige of the budget deficit days when state management was desperate to save money and would pass on almost any cost to employees when they could get away with it. This ticket or provision was agreed to by SEIU, and all the other unions were stuck with it as a result. CAPS was always adamantly opposed to this unreasonable imposition on newly hired employees with families — in almost every instance those employees were not aware of this requirement when they agreed to take their jobs.

R-E-L-A-X

By David Miller, President

NFL quarterback Aaron Rodgers recently urged his “Packer Nation” fan base to RELAX prior to a big game against division rival Minnesota Vikings. Rodgers and his team then beat the Minnesota Vikings convincingly.

I likewise urge CAPS members to RELAX when expecting immediate results from the Reclassification and Pay Project. When the CAPS online discussion forum was launched, we provided background information that described the Project as having two critical steps: the first is to consolidate all state scientific classifications into just nine classification series. The second step is to negotiate salary ranges for each of those new classifications.

Here is relevant language from the section 17.4 of the CAPS MOU:

“...The Committee shall prepare classification change packages as soon as practicable, but no later than January 30, 2015, for the following classification groupings: Research Scientist, Heritage Scientist, Health Physicist, Industrial Hygienist, Environmental Scientist, Earth Scientist, Energy classes, Hazardous Materials Specialist, and Laboratory Science classes. **Subsequently, the parties shall endeavor to reach agreement regarding compensation related to these classifications for the successor agreement prior to their submission to the State Personnel Board.**”

This is a sequential approach to the salary equity issue: first modernize and right-size the classification structure, then establish new salary ranges. We have the time to do it. There is a January 30 deadline in our current MOU for the classification review itself. This should come as no surprise.

This is also consistent with what we discussed at worksite meetings and in pre-ratification election materials. Nevertheless, there is pressure on us to get right to the salary discussion. Part of the reason is the August 20 Pay Letter issued by CalHR. It reestablished *and* funded the historic salary relationship between state scientist supervisors and their state engineering counterparts. If salary equity is good for scientist supervisors, it should happen for rank and file scientists too.

That August 20 Pay Letter increased salaries of certain state scientific supervisors by as much as 43%. That Pay Letter originated with Governor Brown’s state budget, but it was really the work of CAPS that made it happen. I’m proud of that, because it vindicates the path we took on this issue many years ago. More importantly, it brings into clear focus the goal of salary equity for all of us!

The original CAPS Like Pay for Like Work case was limited to supervisors because rank-and-file scientists have bargaining as the sole legal process for addressing pay and benefit disputes. Our goal was—and is—to restore salary equity between **all** state scientists and state engineers concurrently. This Pay Letter doesn’t do that, obviously. There is more work to do.

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The CAPS Team is working hard to implement the CAPS Reclassification and Pay Project. Governor Brown’s negotiators have made no promises. But your CAPS Bargaining Team is determined to stay the course until they do. We need your continued support to make this happen.

We launched an online discussion forum where CAPS members can comment on the classification proposals that will shape the future of professional scientific work in state government. This is our way of using available technology to help connect every member with the work of the CAPS Bargaining Team

where regular input from subject matter experts and members is important to bringing about the best possible end result. CAPS uses a variety of means and technology to hear from members. We listen and apply what we hear.

One marked difference between the CAPS discussion forum and other types of discussion boards is that ours is open to members only, it’s limited to the Reclassification and Pay Project, and it’s moderated — meaning that comments get reviewed very briefly before they’re posted to ensure that they comply with the rules of conduct. Too often these types of forums can degenerate into personal, nasty debates on random topics. The CAPS Forum will be a place where members are welcome to comment on relevant issues.



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Bankruptcy Ruling Threatens Pensions



The pensions of California public employees may be sacrosanct under California law, but a federal bankruptcy court judge on October 1 ruled that federal law treats these pensions just like any other debt — subject to reduction in a bankruptcy proceeding. While this ruling wasn't entirely unexpected in the course of the Stockton bankruptcy, it does present new hurdles to those — like CAPS — who have the responsibility to protect the sustainability of CalPERS to provide its members the retirement benefits they were promised when hired.

The ruling doesn't make abolishing existing retirement plans easy for local government entities. They would still need to first pass a resolution authorizing termination of the plan, then ask CalPERS to do a special calculation of its "termination liability." That's the payment they must make to cover the cost of all outstanding retirement benefits earned by its employees.

After the ruling, CalPERS pointed out that if pensions are reduced in bankruptcies, the only losers are public employees: *"Public employees contribute from every paycheck toward their own retirement. It is not a bonus or optional benefit that an employer may choose to not pay during hard times. CalPERS will stand by Stockton, its employees and residents, and will continue to champion those who really stand to lose...the public employees and retirees who spent their careers serving our communities and California."*