



# Public Health drops outsourcing plans

## Department to fill 53 positions instead of contracting out

Bowing to pressure from Local 1000, the Department of Public Health (DPH) has dropped its efforts to outsource civil service work in four separate contracts worth a total of \$3.8 million.

The DPH decision comes as a result of Local 1000's two-year campaign against wasteful private contracting that costs taxpayers more than performing the work in-house. Since 2006, Local 1000 has challenged dozens of state contracts and won more than 80 percent of our challenges.

### Outsourcing raises costs

"This is a huge win for us – the department changed its policy because we have proven that it is not cost-effective for the state to hire private contractors," said Marie Harder, a senior information systems analyst in the Department of Public Health. "It looks like DPH is finally starting to get it and learn not to waste taxpayer money on contracts when state workers can do a better job for less."



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— Marie Harder  
senior information  
systems analyst

The news came as DPH made a budget request to the state Senate Budget Subcommittee on Health & Human Services on March 19. The budget request, delayed during February's budget battle, was to hire state workers to perform work that previously was scheduled to go to private contractors, including an information technology contract and a janitorial contract in Richmond. In both those cases, Local 1000 challenged the contracts and they were overturned by the State Personnel Board.

### Avoid future litigation

The DPH budget request cited Local 1000's successful challenges and said "in order to respond to the State Personnel Board's ruling and to mitigate any future litigation, the DPH came forward with" a proposal to hire state employees to perform that work at a lower cost.

The agency said it planned to fill 53 new positions with state employees instead of contractors.

# Furlough payday for contractors?

## State outsources \$92 million since February

Local 1000 research shows that since the first furlough Friday in February, the state has entered into 472 new service contracts collectively worth more than \$92.4 million. Other documents show that while state employees were furloughed, contractors were being assured that their work would continue and they could "work from home."

Under Gov. Arnold Schwarzenegger's executive order, all state agencies "are prohibited from entering into any new personal services or consulting contracts to perform work as a result of the furloughs, layoffs or other position reduction measures" implemented as part of the order.

Local 1000 researchers are investigating these contracts to determine if these state agencies are violating the executive order and if these contracts are wasting taxpayer money, because the work could be performed more effectively and at less cost by state workers.

We encourage state workers to send in their tips about wasteful state contracts. Please try to be as specific as possible about the name of the private contracting firm, the state agency that hired the contractor and the type of work that is being performed.

Please send tips to [watchdog@seiu1000.org](mailto:watchdog@seiu1000.org)

# KNOW YOUR NEW CONTRACT

## *Contract questions*

### **New OT rules**

#### *Members ask about changes in sick leave and OT calculation*

The first hearing for the legislature to ratify our agreement is scheduled today before a state assembly committee.

Meanwhile, numerous members have e-mailed to say they are receiving conflicting information from management about overtime.

#### *Only sick leave exempt*

Many state workers received a March 16 memo from the state saying that as of March 1, overtime will be calculated differently and *any* use of leave cannot be counted toward your 40 hours of work per week necessary to qualify for overtime.

The memo refers to a spending bill passed by the legislature that says no leaves can be counted toward overtime calculations.

Our contract says only sick leave is exempt – all other leaves are still counted in overtime calculations.

#### *Local 1000 exemption*

That is because Local 1000 leaders were able to obtain an exemption from this bill for any new contract reached after Feb. 2 – which includes our agreement. This means that sick leave is the *only* thing exempt from overtime calculations for workers represented by Local 1000.

As in all contracts when there is a disagreement, we will have to go to arbitration to resolve it.

## **BOE safety woes grow**

### **Local 1000 calls for relocation**

Local 1000 is calling for the immediate relocation of 2,200 state workers at the Board of Equalization (BOE) headquarters in Sacramento, after more mold was discovered and flooding caused by a water leak forced management to place 275 employees on indefinite paid administrative time off last week.

“This is just another illustration of how bad this building is,” said Bobbi Smith, a senior business tax representative and union leader who works in the building. “It’s important that we not only develop an exit strategy, but we actually move out before we have more experiences like this.”

#### *DGS work criticized*

Local 1000 has said – and BOE management now agrees – that the Department of General Services (DGS) must stop performing piecemeal fixes and instead move all the workers out and completely renovate the building. Local 1000 is pushing legislators and the governor to seek federal stimulus funds in order to transform a structure that workers call a health and safety “nightmare” into a green building.

Last week, water leaks closed two floors, mold was found on five others and four employees were injured in two separate incidents of an elevator falling about three floors. These are the latest health and safety problems in a long history of issues at BOE headquarters. After complaints by Local 1000, the state has spent more than \$29 million to fix mold issues, water leaks and dangerous windows.

#### *Workers’ comp claims*

These health issues have led 57 current and former BOE workers to file for workers’ compensation, saying the building made them sick. More recently, two employees were injured in two separate incidents of an elevator falling. “I refuse to use elevator number six because of an experience I had on that elevator and the continuing problems with it,” Smith said. “I don’t trust that elevator even if the repairman just finished working on it.”

“Our members at BOE bring in about \$55 billion annually from taxpayers,” Local 1000 President Yvonne Walker said. “We’re not going to allow the state to make money while ignoring the health and safety of state workers.”

FOR MORE INFORMATION, CALL LOCAL 1000 TOLL FREE: **(866) 471-SEIU (7348)** or visit our website: **www.seiu1000.org**

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Read our new agreement & frequently asked questions at **seiu1000.org** or **local1000ratification.org**