Service Request 17517

Service Request 17517 requires that a temporary process be designed and implemented to satisfy the requirements imposed by SB 645, a bill passed by the Legislature and signed by Gov. Gray Davis. SB 645 requires the institution of "agency shop" at the University of California and California State University. The new law takes effect Jan. 1, 2000, and will result in mandatory deductions for union-represented UC employees who do not currently pay union membership dues.

The bill states that, "as a condition of continued employment," UC employees who are in a bargaining unit exclusively represented by a union must either join the union and pay its dues or pay a "fair share" fee to the union. This fee would help cover the union's costs for negotiation, contract administration and related activities.

The amount of the "fair share" fee will be determined by each of the University's unions. The bill states that the fee shall not exceed the union's regular membership dues.

UC faculty who are eligible for Academic Senate membership are exempt from the bill. According to the legislation, the "fair share" deductions are to begin "upon notification to the employer by the exclusive representative," but no sooner than Jan. 1.

The bill allows an employee "who is a member of a bona fide religion, body or sect that has historically held conscientious objections to joining or financially supporting public employee organizations" to instead pay an amount equivalent to the "fair share" fee to a "nonreligious, nonlabor charitable fund." The union and the University may designate a list of such charitable funds to which conscientious objectors may direct their contribution.

Analysis is underway of the impact of this legislation on the Payroll/Personnel System (PPS). This analysis will yield requirements for modifications to PPS which will implement the provisions of SB 645. However, because the issues involved with implementing this act are complex, a complete analysis will not be available in time to permit compliance by the January 1, 2000, effective date. Therefore, a temporary solution is being provided which will satisfy the legislative requirements until a
long term solution is available. This release provides that temporary solution. An overview of this solution is provided in the document *Design for a Temporary “Fair Share” Process*, which is provided with this release.

**Programs**

**PPP010**

The temporary solution to the “fair share” requirements includes the addition of two new Gross-to-Net Number “sets”. In order to build new sets a modification to PPP010 is needed to permit the use of new GTN_SET_INDICATOR values. The program has been changed to allow GTN_SET_INDICATOR values of ‘3’ and ‘C’ in addition to the already existing values.

**PPP761**

PPP761 is a new batch program which performs maintenance on the Employee Data Base. Its purpose is to add and remove Fair Share deductions and to remove Union Dues deductions as dictated by the rules of Fair Share implementation. For details of program function please refer to the document *Design for a Temporary “Fair Share” Process*.

Apart from the detail that can be learned through a close review of the design document there are several aspects of program PPP761 to which attention should be drawn.

**Scheduling the Initial Run**

The initial run of PPP761 will undoubtedly establish “fair share” deduction ‘G’ balances for a numerically significant segment of the employee population. Therefore, it is suggested that this run be set for a time when the production schedule for payroll is relatively light. This scheduling guideline should probably be followed whenever a bargaining unit is added to the list of those demanding “fair share” payments, especially if that unit is fairly large.

**Ongoing Scheduling**

The design of PPP761 calls for it to be run immediately preceding every payroll compute. The purpose of this scheduling it to assure that any EDB changes up to that time are reviewed and any new “fair share” deductions established or any superfluous “fair share” or union dues deductions are removed before the compute is run. There is nothing in the design of PPP761 that precludes running it on a more frequent basis.

**Program Modes**

The program executes in two modes: “regular mode” and “first run of the month” mode. The choice of run mode is controlled by the input run specification. The presence of an ‘F’ in column 12 of the first run specification record will cause the “first run of the month” mode to be invoked.

In “regular mode” the program assesses the records of all employees who hold covered appointments in bargaining units for which “fair share” payments are due. It will establish a “fair share” deduction ‘G’ balance for any employee who does not have any of the following:

- A union dues deduction for the bargaining unit in question
- A “fair share” deduction for the bargaining unit in question
- A charity deduction for the bargaining unit in question

In “first run of the month mode” the program performs the same functions as in “regular mode” and assesses the EDB records of all uncovered employees who are enrolled for either “fair share” or charity deductions. For such employees any “fair share” or related charity deductions will be removed.

The very first run of PPP761 should be in “regular mode”. The “first run of the month” mode should be reserved literally for the first run of the program in each month subsequent to the initial month of implementation. The rationale for this scheduling is that those employees who are enrolled in “fair share” should not be de-enrolled from it in the middle of a month, even though a
change in appointment status or Employee Relations Code may mean that the employee is no longer a covered member of the bargaining unit to which he (or she) is paying the “fair share”.

Running PPP761 in “first run of the month” mode more often than once each month will undoubtedly result in erroneous removal of employees from “fair share” or charity deduction enrollments.

**Run Specification Input**

A new form is being released to assist in structuring the run specifications records for PPP761. At the time of release a permanent form number is not available, so the form will temporarily be identified as UPAYNNN.

UPAYNNN will permit the entry of two types of specification records: an initial record and as many as 20 detail records.

The first record should always contain the character string ‘PPP761-SPEC’ in columns 1 through 11. This record will contain the character ‘F’ in column 12 to execute a run in “first run of the month” mode.

Each detail record identifies a bargaining unit for which “fair share” has been demanded. Along with the two-character unit code the record should carry the Gross-to-Net Numbers for the union dues and “fair share” deductions for the unit, the numeric value to be used in establishing a “fair share” ‘G’ balance and up to three Gross-to-Net Numbers for charity deductions appropriate to the bargaining unit. This information must be supplied for each and every “fair share” bargaining unit for each and every run of PPP761, regardless of which mode is desired.

**Control Table File Updates**

Transactions are supplied with this release to update the System Parameters, Gross-to-Net and Bargaining Unit Tables. These transactions are supplied for testing purposes. Some of these transactions are also appropriate for production use. However, all of these transaction should be reviewed thoroughly by campus functional offices prior to use in a production environment. Your campus may need to modify the transaction content and supply additional transactions in order to establish the proper production Control Table values. In particular, the GTN Description and System Parameter Description values supplied are merely suggestions. Also, local skilled crafts units at some campuses have requested the “fair share” deductions be taken. Because these units are local, transactions to establish necessary System Parameters, Gross-to-Net Numbers and Bargaining Unit Table entries are not provided.

**System Parameters Table**

Two new system parameters are being established to store the AFSCME “fair share” percentage and cap values. Parameters 224 and 225 have been chosen for this purpose.

**Gross-to-Net Table**

New entries are being made in the Gross-to-Net Table for AFSCME “fair share” and charity deductions. These items are established with a GTN Group of ‘M’ (Miscellaneous). The “fair share” items are assigned a GTN Set Indicator of ‘3’ while the charity items are assigned a GTN Set Indicator of ‘C’. In most respects these deductions receive the attributes of the union dues deductions which pertain to the same bargaining unit. Notable departures from that rule are:

- Employee-to-date balances will be kept for these items.
- Collective Bargaining Behavior Code (CBBC) values are set to ‘2’, rather than ‘1’ as with union dues.
- Collective Bargaining Eligibility Level Indicator (CBELI) values are set to ‘3’, rather than ‘2’ as with union dues.

**Bargaining Unit Table**

All of the new Gross-to-Net Numbers are being added to the Gross-to-Net segment of the Bargaining Unit Table for the bargaining units to which they pertain. All of these entries restrict access to these deductions to unit members with covered appointments.
Test Plan

A separate document specifying the installation test plan is supplied with this release.

Installation Instructions

1. Install the new bind member PPP761.
2. Install the new DDL members TSBUF00C, TBBUF00C, IXBUF00C and PPPVZBUF.
3. Execute the new DDL members in the sequence listed in step 2. The effect of these members is to create a new table on the CTL database with a unique index and one full-table view.
4. Install the new INCLUDE member PPPVZBUF.
5. Install, DB2 pre-compile, compile and link-edit modified program PPP010.
6. Execute the unmodified plan bind for PPP010.
7. Install, DB2 pre-compile, compile and link-edit new batch program PPP761.
8. Execute the new plan bind for PPP761.
9. Apply the supplied Control Table updates.
10. Execute the test plan supplied with this release.
11. Perform any other testing desired.
12. Repeat steps 1 through 10 in the production environment, modifying the Control Table update transactions as appropriate.
13. Create the appropriate production input program run specification dataset for PPP761.

Note: The DDL and INCLUDE members contain the character string ‘*AUTHID*’ wherever a DB2 authorization identifier is required. This value should be overlaid with an appropriate campus-specific value. Also, these members contain generic database names, in this case PPPCTL, which may also need to be changed.

Timing of Installation

The installation of this release is date mandated.

The “agency shop” status of the University is imposed by SB 645 as of January 1, 2000. Therefore, “fair share” deductions must be taken from January earnings for those exclusively represented units whose bargaining agents have appropriately notified the University. Biweekly campuses please note: Although salaries and wages paid for the biweekly period ending on January 8, 2000, are considered to be January earnings for PPS purposes, the Office of Labor Relations at UCOP has determined that “fair share” deductions are not to be taken from these earnings. Campus Labor Relations Offices and Payroll Offices should be consulted for details on the timing of installation and the appropriate content of the run specification dataset for program PPP761.

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