

APPENDIX R

VOLUNTARY COST SAVINGS PROGRAM

Voluntary Cost Savings Program Plans shall offer employees two (2) options.

A. Option #1 shall allow full-time employees the opportunity to reduce their bi-weekly schedule by no less than eight (8) hours and no more than forty (40) hours. Leave used under this plan will be considered leave without pay and as inactive pay status. Leave accruals will be adjusted accordingly. Employees participating in this plan shall maintain their full-time status for the purposes of health care premiums in accordance with Article 20.05. Further, employees shall not incur a break in State service and seniority. Seniority and State service credit will be based on eighty (80) hours per pay period. The maximum number of hours available to be reduced by any employee is five hundred twenty (520) in a fiscal year or a total of six (6) months, whichever comes first.

B. Option #2 shall allow full-time, part-time and established term employees the opportunity to take unpaid leaves of absence in blocks of time no less than two (2) weeks and up to a maximum of thirteen (13) weeks within a fiscal year. The Employer will continue to pay its share of health insurance premiums during utilization of this plan. Employees participating in this plan are responsible for their share of health insurance premiums for all insurance programs in which they are enrolled at the time of the leave. Leave used under this plan will be considered leave without pay and as inactive pay status. Employees will not incur a break in State service or seniority as long as the employee returns to employment on or before the indicated date.

C. All employees (except project employees) who have completed their initial probationary period shall be eligible to participate in this program.

D. Participation in this program is strictly voluntary.

E. Employees participating in this program shall not be eligible for unemployment benefits.

F. Once a Voluntary Cost Savings Program schedule is approved by the Employer, the employee must complete and sign a Voluntary Cost Savings Agreement. A Voluntary Cost Savings Agreement can be terminated by the Employer upon providing ten (10) working days' notice in writing to the employee. Such termination shall not be grievable. The employee may terminate his/her Voluntary Cost Savings Agreement upon ten (10) working days' notice in writing unless mutually agreed to otherwise.

G. The Employer has sole discretion to approve or deny an employee's Voluntary Cost Savings leave request. Denial of Voluntary Cost Savings leave request shall be non-grievable.

H. Before the implementation of the Voluntary Cost Savings Program the agency Labor-Management Committee shall meet to discuss questions and issues relating to the program. After implementation of the Agreement, the parties through a Labor-Management Committee will continue to monitor its application including disputes and/or related problems on an ongoing basis. The Employer may discontinue this program upon providing the Union with thirty (30) days' notice.

I. The Voluntary Cost Savings Program shall be considered a pilot program and will expire on the same date as this collective bargaining agreement.

Explanation:

This new provision allows an agency to implement a Voluntary Cost Savings Program (VCSP) on a pilot basis which provides employees an opportunity to reduce their schedule voluntarily and/or use leave without pay prior to exhausting their leave balances while reducing the employee salary costs for the agency. A VCSP provides employees two options: 1) a reduced schedule of no less than 8 hours and no more than 40 hours a pay period not to exceed 520 hours in a fiscal year or 6 months whichever comes first; or 2) an extended leave of no less than two consecutive weeks and up to a maximum of 13 weeks in a fiscal year.

Instructions:

Prior to implementing a VCSP, agencies are required to discuss at their agency labor-management committee. After implementation, the application of the program will continue to be monitored via the labor-management committee. The Employer may discontinue the program at any time after providing the Union 30 days' notice. Any VCSP must contain all provisions as specified in the language. Agencies should notify OCB prior to discussion VCSP with the Union.

Effective Date:

March 1, 2006