

# State Fund agrees to insource 93 jobs

## Pressure from Local 1000 returns work to state employees

Local 1000 members and staff successfully identified and challenged two instances where contracting out would be wasteful, and the State Compensation Insurance Fund (SCIF) has agreed to cancel two outsourcing contracts providing 93 jobs for Local 1000-represented employees.

After receiving complaints about the contracts from rank-and-file members, Local 1000 pressured SCIF to insource the work. This included filing a challenge with the State Personnel Board questioning the legality of the contract.

Local 1000 has spent years fighting the contracting out of state worker jobs that waste the state's money. Research and contract analysts, attorneys and Local 1000 members work together identifying ways to save the state money by insourcing work. In June, the side letter agreement created a joint task force

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—Margarita Maldonado  
Vice President for Bargaining

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between the union and the state to investigate additional areas of outsourcing cost savings.

“These successful challenges speak to the reason why we work so hard to find ways to stop unnecessary outsourcing,” said Margarita Maldonado, vice president for bargaining. “I’m proud of our members and staff who step up and find ways to bring work back to our members and save the state money.”

One contract that was challenged at SCIF is with Crowe-Horwath, where the work of four positions



that could be performed by staff services management auditors (Bargaining Unit 1) was cancelled Oct. 31.

State Fund also committed to cancelling a contract with Mitchell International for medical billing, work that traditionally has been done by program technicians (Bargaining Unit 4). This contract will be cancelled in the first quarter of 2013. State Fund is in the process of hiring 89 new Unit 4 positions. Most of the new hires will work in the Claims Processing Centers in Vacaville, Fresno and Redding.

### Side Letter: Outsourcing

## Task force targets wasteful contracts

### Member reports spur action on job outsourcing

The new Outsourcing Task Force—created by the June side letter—is focusing on several large wasteful private vendor contracts that can be eliminated, so that the cost savings can save taxpayer money and help preserve member pay and state jobs. Working with members on the Outsourcing Task Force, Local 1000’s Contract, Research and Legal departments are reviewing and challenging those contracts that needlessly cost the state money.

So far our task force members have pressed the state on large nursing registry contracts at state hospitals. We are also urging the state to end a \$71 million private contract to maintain and operate the Child Support Enforcement System at the Department of Child Support Services.

### Members can report outsourcing

The task force is interested in investigating reports of outsourcing from members who see it in the workplace. If you are aware of a situation where private contractors are performing work that could be done by Local 1000-represented state workers, please to go to [seiu1000.me/RyDVFJ](http://seiu1000.me/RyDVFJ) and fill out the survey form.

This information will help the task force identify priority contracts to review and analyze to possibly reduce the use of contractors who perform the work of state employees. The task force will also develop plans to transfer work back to state employees, and reduce the cost of contracts.

# 2013: Budgets & bargaining ahead



***“With state budget battles ahead, contract bargaining in 2013 and a changing state government, we’re gearing up for major challenges.***

***Right after the holidays we’ll already be in high gear—that’s why I’m naming Paul Harris as chief of staff.”***

**—Yvonne R. Walker, President, SEIU Local 1000**

“As part of our preparation for 2013, we’re reorganizing staff operations to increase our effectiveness and professionalism. Paul Harris, our longtime chief legal counsel will immediately step into the job as chief of staff,” said Local 1000 President Yvonne R. Walker.

“Paul has the right combination of skills, experience and commitment to build a stronger public employee labor movement,” Walker said.

Under the Local 1000’s by-laws, a top-notch professional staff works at the direction of President Walker to implement policies and positions adopted by the 63 elected member-leaders on our executive Council.

## **The right skills and experience to strengthen staff**

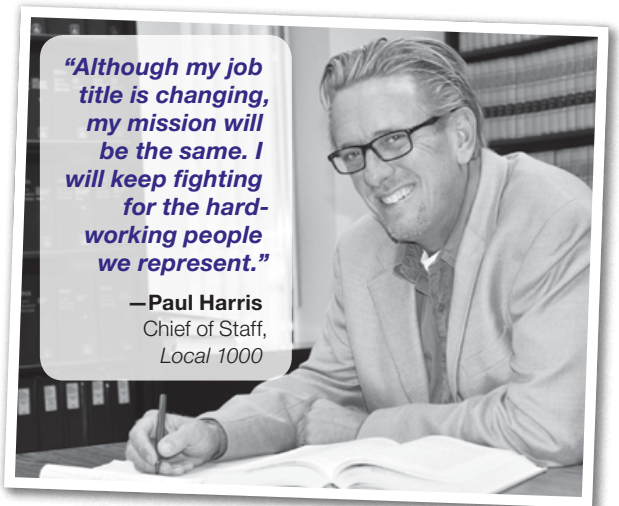
Harris became Local 1000’s chief counsel in 2004. Since that time, Local 1000 has stepped out from under the California State Employees Association and took its place as one of the state’s most powerful union locals.

The union has also faced many challenges in that period and, as chief legal strategist, Harris was on the front lines of numerous court battles, contract negotiations and legislative efforts as well as many judicial proceedings and arbitrations to protect the rights of members.

“Paul has shown leadership with us through many struggles, fighting for our members at every turn,” said Walker. “He is battle tested. He knows what we’ve been through during tough economic times, and he understands the challenges that we face in the future.”

Harris also oversaw an aggressive legal strategy by Local 1000 to challenge illegal outsourcing contracts before the State Personnel Board, winning more than

80 percent of those cases and adding hundreds of new state jobs. Harris also headed a legal team that has won cases before the Public Employment Relations Board that guarantee members’ right to be active and express themselves at their workplace as well as greater protections for our stewards who go to bat for state workers. Harris also won two pivotal arbitration awards expanding union access to worksites and establishing the principle that union speech on statewide ballot initiatives cannot be prohibited by the state.



***“Although my job title is changing, my mission will be the same. I will keep fighting for the hard-working people we represent.”***

**—Paul Harris  
Chief of Staff,  
Local 1000**

Under Harris, our legal team also helped develop successful legislation, AB 740, to hold state agencies accountable for illegal outsourcing.

“The best thing about my work is that I get to fight for our members,” Harris said. “Although my job title is changing, my mission will be the same. I will keep fighting for the hard-working people we represent and helping our members build one of the strongest state employee locals in the nation.”

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