

COMMISSION ON CALIFORNIA STATE GOVERNMENT ORGANIZATION AND ECONOMY

11th & L Building, Suite 550, (916) 445-2125
Sacramento 95814



April 27, 1984

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RICHARD C. MAHAN
Executive Director

Dear Governor and Members of the Legislature:

On March 9, 1984 Governor Deukmejian submitted to this Commission Reorganization Plan No. 1 of 1984. This plan is concerned with the further consolidation of non-merit and primarily non-merit State personnel management functions within the Department of Personnel Administration (DPA).

As you are aware, the DPA was formed in 1981 by that year's Governor's Reorganization Plan No. 1. This reorganization was in substantial compliance with the recommendations of our Commission's comprehensive study of the State civil service system reported in August 1979 as "Personnel Management in the State Service." We recommended the formation of the cabinet-level department (DPA) created by the Governor's reorganization to represent State management in periodic collective bargaining and the day-to-day administration of negotiable personnel functions. The 1981 plan transferred the responsibility for administering salaries, benefits, vacation, sick leave, layoff, training, and other bargainable personnel functions from the State Personnel Board (SPB) to the DPA.

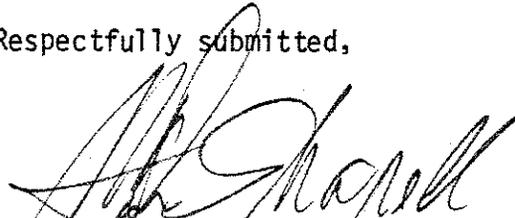
Although our report recommended that specified personnel management functions including position classification authority should be consolidated in what is now the DPA, the SPB currently retains this function. The current reorganization plan proposes to transfer classification functions that are closely related to pay from the SPB to the DPA, thus consolidating the major elements of State personnel costs in a single agency responsible to the Governor.

Our Commission held a public hearing on the Governor's proposed reorganization plan on April 26, 1984. We determined that the plan has the approval of the SPB, the California State Employees' Association and other organizations having an interest in personnel management activities of the State's civil service system. Additionally, we determined that the plan has the following benefits:

- It would permit greater flexibility in employer-employee collective bargaining concerning fiscal issues which determine personnel costs.
- It would avert some future costs associated with the resolution of certain charges of unfair labor practices brought to the Public Employment Relations Board.
- It would not conflict with Article VII of the State Constitution which makes the SPB the final approval authority for the establishment, revision or deletion of personnel classifications.

We are pleased to report that this plan received the unanimous endorsement of our Commission. We heartily recommend that the Legislature permit the Reorganization Plan No. 1 of 1984 to become effective on July 1, 1984 in accordance with Government Code Section 12080.5.

Respectfully submitted,



NATHAN SHAPELL, Chairman
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