



Gavin Newsom
Mayor

Micki Callahan
Human Resources Director

MEMORANDUM

DATE: December 10, 2010
TO: The Honorable Civil Service Commission
FROM: Micki Callahan, Human Resources Director
SUBJECT: Civil Service Reform Phase II Recommendation – Eliminate Interdepartmental (Citywide) Bumping

This staff report is in response to the Civil Service Commission's ("Commission") request that the Department of Human Resources ("DHR") submit for its consideration during its meeting of December 20, 2010 the City's recommendation to eliminate interdepartmental (Citywide) bumping.

Overview

Currently, laid-off Permanent Civil Service ("PCS") employees—regardless of whether they have passed probation, and regardless of for how long they have worked for the City (even as little as one week)—are entitled to displace ("bump") any Provisional employee, temporary employee hired from an eligible list, probationary PCS employee or the most junior PCS employee (provided that the employee is junior to the laid-off employee) in that class in any department in the City's civil service system. If the employee who is bumped has permanent rights to another class ("reinstatement rights"), he or she may return to that class, possibly bumping another employee. That individual may in turn have permanent rights to another class, potentially bumping yet another employee, and so on. Citywide bumping can have a significant impact not only on departmental operations but also on employee morale, and has been consistently cited by City departments as one of the most important Civil Service Reform recommendations to date.

Citywide Layoff Processes and Citywide "Bumping"

The City's layoff process is regulated by over fifteen Civil Service Rules—please see Attachment A for excerpts from the Civil Service Rules and Attachment B for the DHR PowerPoint presentation previously provided to the Commission with an overview of Citywide layoff and displacement processes. Essentially, the steps are as follows:

- First, the department identifies the classification assigned to perform the service that has been eliminated or reduced due to budgetary constraints.
- The department then determines which employee should be laid off in that classification in that department. The Rules require that employees generally be laid off in a classification in a department in the following order:
 1. Provisional employees in the classification in the department are laid off first;¹
 2. Temporary employees in the department who were appointed from an eligible list in the classification;

¹ "Provisional employees" are defined in the Rules as appointments to a permanent or temporary position in the absence of an available eligible list from which to hire a PCS employee. By Charter, these appointments are limited to three years. Departments are required to undertake competitive recruitment and selection processes when making provisional appointments.

3. PCS employees who are still serving their probationary period in the classification in the department;
 4. PCS employees with the least departmental seniority.
- o Once DHR confirms that the individuals who have been identified for layoff by the departments are correct, DHR places the names of all laid off PCS employees on a holdover roster for the class or classes from which laid off, ranking them by order of Citywide seniority.
 - o DHR will then place those "holdovers" in positions throughout the City based on the order specified by the Rules (i.e., to vacant positions first; and then bumping provisionals, temporary employees from an eligible list, probationary PCS employees and finally PCS employees). However, under Rule 112.31, management PCS employees are not entitled to bump other PCS employees in other departments.

Citywide bumping has not always existed in its current form. Prior to 1994, this was limited to: (1) employees on a specified list of largely building trades classifications; and (2) employees who had attained at least five (5) years of seniority in a class, in which case they could only displace employees with less than five (5) years of seniority in that class.

Individuals remain on the holdover roster for five (5) years from the date of the layoff. This means that they have a right based on seniority to any vacant position that becomes available in that classification for a full five years. The City pays for health benefit for "holdovers" during the five-year period. At the end of the five years, the "holdovers" are offered COBRA coverage for eighteen (18) months.

Impacts of Citywide Bumping

As discussed in the May 2005 Civil Service Reform Policy Paper (located on the DHR website at www.sfgov.org/DHR under "About Us"), Citywide bumping has profound operational effects on departments, particularly where layoffs were not planned. When a laid off employee bumps into a department, the department loses a trained and experienced employee and receives an employee who may be unfamiliar with its services and responsibilities. Sometimes, working employees are displaced by employees on leave or otherwise unable to perform the functions of their new job, forcing the department's depleted staff to absorb lost workload.

Not only is Citywide bumping disruptive to managers who may see their staff come or go based on decisions in another department, but it affects employee morale as employees are treated as interchangeable. Moreover, individuals who are bumped by laid off employees in other departments may only receive notice the day before they are displaced. Although it is the practice of DHR to provide as much notice as possible, short notices are often out of DHR's control in situations that result in multiple bumps.

Few employees understand seniority calculations and rights, leading to an appearance of inconsistency and unfairness. Departments and policymakers can take numerous actions that can cause the cascading transactions from one layoff to be cancelled, only to start a chain of events in another area. Often, the anticipated results of a layoff and bumping cause departments to rescind layoffs, cancel an approved requisition to fill a vacant position, create a new requisition to secure a position for a laid off employee, or, ultimately release a recently placed employee from probation.

At some level in each organization, the disruption caused by bumping – to affected employees and to organizational mission – outweighs the benefit.

Recommendations

We recommend that the Commission revise the Civil Service Rules to eliminate Citywide bumping.

The Civil Service Rules used to limit Citywide bumping to only certain PCS employees in certain classifications, or meeting a threshold seniority requirement in a class, and the Commission has already eliminated Citywide bumping for management employees. Although some of the City's labor agreements guarantee Citywide bumping, we believe that those provisions would extend only to employees covered by those agreements (that is, employees covered by the labor agreement could only bump other employees covered by the labor agreement); further, the City will seek to negotiate elimination of bumping rights with the unions during contract negotiations in 2012.

Attachments

Attachment A: Current Rules Governing Layoff Procedures and Bumping Rights

Attachment B: DHR PowerPoint Presentation on Layoffs and Displacements