

**OFFICE OF POLICY AND MANAGEMENT**  
**NP-4 Corrections**  
**Cost Estimate of State's Last Best Offer**

All Funds Requirement - 26 pay periods <sup>(a)</sup>

	2011-2012				
	2008-2009	2009-2010	2010-2011	2011-2012	Annualized
<b>CONTRACT ITEMS</b>					
<b>FIRST YEAR 2008-2009</b>					
(1) 3 % General Wage Increase on June 20, 2008	\$7,439,900	\$7,737,500	\$7,737,500	\$7,737,500	\$7,737,500
(2) Annual Increments (AI's) Delayed 6 Months <sup>(b)</sup>	\$820,400	\$3,774,300	\$3,855,000	\$3,855,000	\$3,855,000
(3) Increase Meal Reimbursement Rate by \$.50	\$546,700	\$568,600	\$568,600	\$568,600	\$568,600
(4) Increase Lump Sum Payment In Lieu of AI by \$250	\$695,000	\$685,000	\$685,000	\$685,000	\$685,000
(5) Increase Tuition Reimbursement Fund from \$60,000 to \$80,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
<b>SUBTOTAL CONTRACT ITEMS - 1ST YEAR</b>	<b>\$9,512,000</b>	<b>\$12,785,400</b>	<b>\$12,866,100</b>	<b>\$12,866,100</b>	<b>\$12,866,100</b>
<b>SECOND YEAR 2009-2010</b>					
(1) 2.5 % General Wage Increase on June 19, 2009	-	\$6,292,200	\$6,543,800	\$6,543,800	\$6,543,800
(2) Annual Increments (AI's) Delayed 6 Months <sup>(b)</sup>	-	\$882,500	\$3,542,400	\$3,615,300	\$3,615,300
<b>SUBTOTAL CONTRACT ITEMS - 2ND YEAR</b>	<b>-</b>	<b>\$7,174,700</b>	<b>\$10,086,200</b>	<b>\$10,159,100</b>	<b>\$10,159,100</b>
<b>THIRD YEAR 2010-2011</b>					
(1) 2.5 % General Wage Increase on June 18, 2010	-	-	\$6,375,100	\$6,630,100	\$6,630,100
(2) Annual Increments (AI's) Delayed 6 Months <sup>(b)</sup>	-	-	\$896,400	\$3,343,400	\$3,407,700
(3) Increase Meal Reimbursement Rate by \$.50	-	-	\$546,700	\$568,600	\$568,600
(4) Increase Night Shift Differential Rate by \$.10	-	-	\$520,000	\$540,800	\$540,800
(5) Increase Weekend Differential Rate by \$.10	-	-	\$183,100	\$190,500	\$190,500
<b>SUBTOTAL CONTRACT ITEMS - 3RD YEAR</b>	<b>-</b>	<b>-</b>	<b>\$8,521,300</b>	<b>\$11,273,400</b>	<b>\$11,337,700</b>
<b>FOURTH YEAR 2011-2012</b>					
(1) 3 % General Wage Increase on July 1, 2011	-	-	-	\$7,743,300	\$8,053,100
(2) Annual Increments (AI's) Delayed 6 Months <sup>(b)</sup>	-	-	-	\$818,100	\$3,049,100
<b>SUBTOTAL CONTRACT ITEMS - 4TH YEAR</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$8,561,400</b>	<b>\$11,102,200</b>
<b>TOTAL AWARD ITEMS</b>					
<b>IMPACT ON PART TIMERS, OVERTIME AND HOLIDAY PREMIUM PAY</b>	<b>\$9,512,000</b>	<b>\$19,960,100</b>	<b>\$31,473,600</b>	<b>\$42,860,000</b>	<b>\$45,465,100</b>
<b>SOCIAL SECURITY COST</b>	<b>\$1,924,500</b>	<b>\$4,353,600</b>	<b>\$6,744,900</b>	<b>\$9,993,000</b>	<b>\$10,392,700</b>
<b>TOTAL COAST OF AWARD - ALL FUNDS</b>	<b>\$12,162,600</b>	<b>\$25,839,100</b>	<b>\$40,624,700</b>	<b>\$56,130,300</b>	<b>\$59,334,400</b>
<b>TOTAL COST OF AWARD - GENERAL FUND</b>					
<b>TOTAL COST OF AWARD - OTHER FUNDS</b>	<b>\$11,919,300</b>	<b>\$25,322,300</b>	<b>\$39,812,200</b>	<b>\$55,007,700</b>	<b>\$58,147,700</b>
	<b>\$243,300</b>	<b>\$516,800</b>	<b>\$812,500</b>	<b>\$1,122,600</b>	<b>\$1,186,700</b>

(a) This cost analysis is based on annual costs equaling the payment of 26 payrolls.

(b) This lump sum cost reflected in this cost is only the cost for additional employees reaching maximum and receiving a lump sum payment. Due to the six month delay some employees may not receive their lump sum in lieu of annual increment payment until the next fiscal year but the cost is reflected in the year it is earned for.

**OFFICE OF POLICY AND MANAGEMENT**  
**NP-4 Corrections**  
**Cost Estimate of Union's Last Best Offer**

All Funds Requirement - 26 pay periods <sup>(e)</sup>

	2008-2009	2009-2010	2010-2011	2011-2012	2011-2012 Annualized
<b>CONTRACT ITEMS</b>					
<b>FIRST YEAR 2008-2009</b>					
(1) 3.25 % General Wage Increase on June 20, 2008	\$8,059,900	\$8,382,300	\$8,382,300	\$8,382,300	\$8,382,300
(2) Annual Increments (AI's) on Time	\$2,647,300	\$3,846,800	\$3,846,800	\$3,846,800	\$3,846,800
(3) Increase Night Shift Differential by Rate \$.10	\$520,000	\$540,800	\$540,800	\$540,800	\$540,800
(4) Increase Weekend Differential Rate by \$.10	\$183,100	\$190,500	\$190,500	\$190,500	\$190,500
(5) Increase Meal Reimbursement Rate by \$2.00	\$2,186,800	\$2,274,300	\$2,274,300	\$2,274,300	\$2,274,300
(6) Increase Top Step of each Salary Grade by 3%	\$4,769,100	\$4,978,600	\$4,978,600	\$4,978,600	\$4,978,600
(7) Increase Lump Sum Payment in Lieu of AI from \$500 to 2.5% of Annual Salary <sup>(e)</sup>	\$0	\$3,245,700	\$3,245,700	\$3,245,700	\$3,245,700
(8) Add an 11th Step to each Salary Grade 3% greater than Step 10	\$5,248,500	\$5,458,500	\$5,458,500	\$5,458,500	\$5,458,500
(9) Increase the Annual Salary of Each Step by \$1,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
(10) Increase Tuition Reimbursement Fund from \$60,000 to \$75,000	(\$1,368,500)	(\$1,368,500)	(\$1,368,500)	(\$1,368,500)	(\$1,368,500)
(11) Cash Savings Due to Non Payment of Lump Sums Because of Additional Steps <sup>(e)</sup>	-	-	-	-	-
<b>SUBTOTAL CONTRACT ITEMS - 1ST YEAR</b>	<b>\$22,261,200</b>	<b>\$27,564,000</b>	<b>\$27,564,000</b>	<b>\$27,564,000</b>	<b>\$27,564,000</b>
<b>SECOND YEAR 2009-2010</b>					
(1) 3.5 % General Wage Increase on June 19, 2009	-	\$9,439,600	\$9,817,100	\$9,817,100	\$9,817,100
(2) Annual Increments (AI's) on Time	-	\$2,398,700	\$3,492,500	\$3,492,500	\$3,492,500
(3) Increase Longevity Schedule by Two Times the Current Amounts	-	\$2,212,900	\$2,212,900	\$2,212,900	\$2,212,900
(4) Increase Night Shift Differential Rate by \$.10	-	\$520,000	\$540,800	\$540,800	\$540,800
(5) Increase Weekend Differential Rate by \$.10	-	\$183,100	\$190,500	\$190,500	\$190,500
(6) Increase Meal Reimbursement Rate by \$1.00	-	\$1,093,400	\$1,137,200	\$1,137,200	\$1,137,200
(7) Add Meal Reimbursement of \$11.00/meal When Working Unanticipated Overtime	-	\$1,007,200	\$1,044,100	\$1,044,100	\$1,044,100
(8) Increase Top Step of each Salary Grade by 2.5%	-	\$4,961,900	\$5,179,600	\$5,179,600	\$5,179,600
(9) Add a 12th Step to Each Salary Grade 3% Greater Than Step 11	-	\$0	\$3,771,900	\$3,771,900	\$3,771,900
(10) Increase the Annual Salary of Each Step by \$1,000 <sup>(e)</sup>	-	\$3,732,500	\$3,881,800	\$3,881,800	\$3,881,800
(11) Add a \$50 per Pay Period Stipend for State Issued Response Device	-	\$400,000	\$416,000	\$416,000	\$416,000
(12) Increase Vacation Schedule for Employees With 16+ Years Service <sup>(e)</sup>	-	\$1,463,900	\$1,516,700	\$1,516,600	\$1,516,600
(13) Add a Clean Clothing Allowance of \$600 per employee	-	\$3,150,000	\$3,150,000	\$3,150,000	\$3,150,000
(14) Add Meal Reimbursement of \$11.00/meal for Parole Series Employees	-	\$353,700	\$367,800	\$367,800	\$367,800
(15) Add Meal Reimbursement of \$11.00/meal for Community Service Counselors	-	\$27,700	\$29,000	\$29,000	\$29,000
<b>SUBTOTAL CONTRACT ITEMS - 2ND YEAR</b>	<b>-</b>	<b>\$30,944,600</b>	<b>\$36,747,900</b>	<b>\$36,801,800</b>	<b>\$36,801,800</b>

**OFFICE OF POLICY AND MANAGEMENT**  
**NP-4 Corrections**  
**Cost Estimate of Union's Last Best Offer**

(a) This cost analysis is based on annual costs equaling the payment of 26 payrolls.

(b) Because the union is also asking for an additional step in each year of the contract there will be no cash cost for lump sum payments in lieu of an annual increment in any year of the contract. If no additional steps and no additional increases to the top step are given, the cost of a 2.5% lump sum at maximum in each year will be:

FY 09 - \$3,707,800  
FY 10 - \$4,149,700  
FY 11 - \$4,649,600  
FY 12 - \$5,074,400.

The FY 08 cost for a \$500 lump sum payment in lieu of an annual increment was \$1,368,500. The increase in the lump sum cost would be the difference between this amount and the estimated cost for the 2.5% lump sum.

If all of the union extra steps are awarded, while there will be no cash payout for lump sums in lieu of annual increments during the last three years of the contract or in the first year of a successor contract even if lump sum payments in lieu of increments are awarded in that contract, there will be an eventual liability of over \$5 million created if those payments are ever made.

(c) Because no lump sums at maximum will be paid due to the addition of extra steps in every year of the contract, there will be a cash savings in each year of \$1,368,500 which reflects the cost of lump sums at maximum paid out in FY 08.

(d) Because the union is proposing to add steps starting at the end of the first contract year, the top three steps will be different in years two, three and four. In year two, steps 9, 10 and 11 will be the top three steps. In year three, steps 10, 11, and 12 will be the highest steps. In year four, steps 11, 12, and 13 will be the highest steps.

(e) This cost was estimated based on the number of additional vacation hours which would be awarded to current staff and their corresponding projected salary rate. Overtime will be required in most instances to cover the absence of an employee taking this additional vacation time.

NOTE: Union Issue Number U-65 (increases the amount of compensatory time from 1 hour to 1.5 hours for Parole employees paged during non-work hours) will result in some undetermined additional cost.

**OFFICE OF POLICY AND MANAGEMENT**  
**NP-4 Corrections**  
**Cost Estimate of Union's Last Best Offer**

**THIRD YEAR 2010-2011**

(1) 3.5 % General Wage Increase on June 18, 2010	-	-	\$10,365,700	\$10,780,300	\$10,780,300
(2) Annual Increments (AIs) On Time	-	-	\$2,321,700	\$3,302,800	\$3,302,800
(3) Increase Night Shift Differential by \$.10	-	-	\$520,000	\$540,800	\$540,800
(4) Increase Weekend Differential Rate by \$.10	-	-	\$183,100	\$190,500	\$190,500
(5) Increase Meal Reimbursement Rate by \$1.00	-	-	\$1,093,400	\$1,137,200	\$1,137,200
(6) Increase Meal Reimbursement When Working Unanticipated OT by \$1.00	-	-	\$91,600	\$95,200	\$95,200
(7) Increase Top Step of each Salary Grade by 2%	-	-	\$5,240,600	\$5,470,200	\$5,470,200
(8) Add a 13th Step to Each Salary Grade 3% Greater Than Step 12	-	-	\$0	\$4,538,600	\$4,538,600
(9) Increase the Annual Salary of Each Step by \$2,000	-	-	\$6,971,400	\$7,250,200	\$7,250,200
(10) Increase Meal Reimbursement Rate for Parole Series Employees by \$1.00	-	-	\$32,200	\$33,400	\$33,400
(11) Increase Meal Reimbursement Rate for Community Service Counselors by \$1.00	-	-	\$2,500	\$2,600	\$2,600
<b>SUBTOTAL CONTRACT ITEMS - 3RD YEAR</b>	-	-	\$26,822,200	\$33,341,800	\$33,341,800

**FOURTH YEAR 2011-2012**

(1) 3.5 % General Wage Increase on July 1, 2011	-	-	-	\$11,466,300	\$11,925,000
(2) Annual Increments (AIs) On Time	-	-	-	\$2,011,600	\$2,908,900
(3) Increase Night Shift Differential Rate by \$.10	-	-	-	\$520,000	\$540,800
(4) Increase Weekend Differential Rate by \$.10	-	-	-	\$183,100	\$190,500
(5) Increase Meal Reimbursement Rate by \$1.00	-	-	-	\$1,093,400	\$1,137,200
(6) Increase Meal Reimbursement When Working Unanticipated OT by \$1.00	-	-	-	\$91,600	\$95,200
(7) Increase Top Step of each Salary Grade by 2%	-	-	-	\$6,135,700	\$6,404,200
(8) Add a 14th Step to Each Salary Grade 3% Greater Than Step 13	-	-	-	\$0	\$7,919,100
(9) Increase the Annual Salary of Each Step by \$2,000	-	-	-	\$6,398,400	\$6,654,300
(10) Increase Meal Reimbursement Rate for Parole Series Employees by \$1.00	-	-	-	\$32,200	\$33,400
(11) Increase Meal Reimbursement Rate for Community Service Counselors by \$1.00	-	-	-	\$2,500	\$2,600
<b>SUBTOTAL CONTRACT ITEMS - 4TH YEAR</b>	-	-	-	\$27,934,800	\$37,811,200

<b>TOTAL AWARD ITEMS</b>	\$22,261,200	\$58,508,600	\$91,134,100	\$125,642,400	\$135,518,800
<b>IMPACT ON PART TIMERS, OVERTIME, AND HOLIDAY PREMIUM PAY</b>	\$4,844,500	\$10,856,600	\$17,988,400	\$27,865,500	\$28,980,100
<b>SOCIAL SECURITY COST</b>	\$2,072,400	\$5,305,300	\$8,346,700	\$11,742,200	\$12,583,000
<b>TOTAL COAST OF AWARD - ALL FUNDS</b>	\$29,178,100	\$74,670,500	\$117,469,200	\$165,250,100	\$177,081,900
<b>TOTAL COST OF AWARD - GENERAL FUND</b>	\$28,594,500	\$73,177,100	\$115,119,800	\$161,945,100	\$173,540,300
<b>TOTAL COST OF AWARD - OTHER FUNDS</b>	\$583,600	\$1,493,400	\$2,349,400	\$3,305,000	\$3,541,600