

Issue Paper Number 000-015



- Board Meeting
- Business Taxes Committee
- Customer Services and Administrative Efficiency Committee
- Legislative Committee
- Property Tax Committee
- Other

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## Hiring of Retired Annuitants at Levels At and Above the Supervisory

### I. Issue

Should the Board resolve to require staff to obtain prior Board approval for the hiring of all retired **annuitants at and above the supervisory level?**

### II. Staff Recommendation

Staff recommend that the Board resolve to require staff to obtain prior Board approval for the hiring of all retired annuitants **at the managerial level.**

### III. Other Alternative(s) Considered

#### ALTERNATIVE 1

Resolve to require staff to obtain prior Board approval for all retire annuitants proposed to be hired **at and above the supervisory level.**

#### ALTERNATIVE 2

Direct staff to provide quarterly reports of all retired annuitants employed **at and above the supervisory level** during the current fiscal year to date. The quarterly reports would include the name, organization (e.g., department/division), classification and the current year effective date.

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#### **IV. Background**

Board Member Claude Parrish expressed his support for employing retired annuitants and requested that this topic be added to the agenda for discussion at the May 2, 2000 meeting of the Board's Customer Service and Administrative Efficiency Committee. Staff was subsequently asked to prepare this issue paper to facilitate the Committee's discussion and to provide the following information to all of the Board Members.

- A. A list of all retired annuitants currently employed by the Board along with their names, dates of hire and departments;
- B. A list of those who are in the administrative process of becoming retired annuitants along with their names, projected dates of hire and departments; and
- C. A list of those persons whom the Board is considering hiring as retired annuitants along with their names, possible departments and job descriptions.

Government Code Section 19144 authorizes a person who has retired from state civil service to "employed temporarily in a civil service position at any time following retirement, provided that the position is either:

- (a) In the class in which the person had permanent or probationary status or a career executive assignment appointment at the time of retirement;
- (b) In another class to which the person could have been permanently transferred, reinstated or demoted at the time of retirement."

Government Code Section 21224 authorizes a retired person to be employed "without reinstatement from retirement or loss of interruption of benefits provided by this system upon appointment by the appointing power of a state agency or any other employer either during an emergency to prevent stoppage of public business or because the retired employee has skills needed in performing work of limited duration. These appointments shall not exceed a total for all employers of 960 hours in any calendar year, and the rate of pay for the employment shall not be less than the minimum, nor exceed that paid by the employer to other employees performing comparable duties." The latter requires that the responsible hiring manager ensure that the retired annuitant performs the full scope of comparable duties and responsibilities of the hiring level and not only a portion thereof.

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## V. Staff Recommendation

### A. Description of the Staff Recommendation

Staff recommend that the Board resolve to require staff to obtain prior Board approval for all retired annuitants proposed to be employed at the managerial level.

### B. Pros of the Staff Recommendation

Would allow the Board to request clarification in advance as to the operational need for and scope of duties and responsibilities of any retired annuitants proposed to be employed at the managerial level.

Would be more consistent with the Board's resolution on the appointment process for Career Executive Assignment (CEA) positions.

### C. Cons of the Staff Recommendation

Delaying the hire of retired annuitants proposed to be employed at the managerial level until the next Board meeting could adversely affect critical operational effort involved.

Would require the use of limited staff resources to prepare request for Board approval of retired annuitants proposed to be employed at the managerial level.

Would require staff to additionally ensure that Board approvals were obtained for retired annuitants proposed for employment at the managerial level, in the appointment process.

### D. Statutory or Regulatory Change

None.

### E. Administrative Impact

Prolongs the hiring process by requiring staff to prepare a request for Board approval of retired annuitants and to ensure Board approval was obtained for retired annuitants proposed to be employed at the managerial level.

### F. Fiscal Impact

#### 1. Cost Impact

Minor.

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**2. Revenue Impact**

None.

**G. Taxpayer/Customer Impact**

None.

**H. Critical Time Frames**

Immediately begin to require submission of request for prior Board approval of retired annuitants proposed to be employed **at the managerial level.**

**VI. Alternative 1**

**A. Description of the Alternative**

Resolve to require staff to obtain prior Board approval for the hiring of all retired annuitants proposed to be employed **at and above the supervisory level.**

**B. Pros of the Alternative**

Would allow the Board to pre-review the operational need for and the scope of duties and responsibilities of any retired annuitants proposed to be employed **at and above the supervisory level.**

**C. Cons of the Alternative**

Would require staff resources to be redirected to prepare request for Board approval of retired annuitants proposed to be employed **at or above the supervisory level.**

Would require staff to additionally ensure that Board approvals were obtained for retired annuitants proposed to be employed **at or above the supervisory level,** in the appointment process.

**D. Statutory or Regulatory Change**

None.

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**E. Administrative Impact**

Prolongs the hiring process by requiring staff to prepare request for Board Approval and ensure Board approval was obtained for retired annuitants proposed to be employed **at or above the supervisory level.**

**F. Fiscal Impact**

**1. Cost Impact**

Minor.

**2. Revenue Impact**

None.

**G. Taxpayer/Customer Impact**

None.

**H. Critical Time Frames**

Immediately begin to require submission of request for prior Board approval of retired annuitants proposed to be employed **at and above the supervisory level.**

**VII. Alternative 2**

**A. Description of Alternative 2**

Direct staff to provide quarterly reports of all retired annuitants employed **at or above the supervisory level** during the current fiscal year to date. The quarterly reports would include the name, organization (e/g., department/division), classification and the current year effective date.

**B. Pros of Alternative 2**

Would allow Board to be kept informed of how staff are doing with respect to the employment retired annuitants **at or above the supervisory level** in the current year, and to seek clarification as to the purpose of and intent to continue employment of any of those retired annuitants.

Would allow the Board to request information as to the operational need for and the scope of duties and responsibilities of any retired annuitants employed **at or above the supervisory level**, by the beginning of the quarter following the periods reported each quarter.

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**C. Cons of Alternative 2**

Would only allow the Board to request information, after the fact, as to the operational need for and the scope of duties and responsibilities of any retired annuitants employed at or above the supervisory level.

**D. Statutory or Regulatory Change**

None.

**E. Administrative Impact**

Would require Administration Department staff to request data from SCO, review, and submit quarterly reports on retired annuitants employed **at or above the supervisory level** for fiscal year to date.

**F. Fiscal Impact**

**1. Cost Impact**

Minor.

**2. Revenue Impact**

None.

**G. Taxpayer/Customer Impact**

None.

**H. Critical Time Frames**

By mid-month July 2000 (for fiscal year 1999-2000), begin regular submission of quarterly reports on retired annuitants employed **at and above the supervisory level** to the Board Members.

Prepared by: Administration Department

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