

## Negotiated Notice Requirements for Personal Services Contracts (“PSC”)

This document describes negotiated notice requirements that departments must follow when: (a) seeking approval for Personal Services Contracts (“PSC”) from the Civil Service Commission (“Commission”); or (b) issuing task orders under a Job Order Contract (“JOC”) or a construction/maintenance contract. As you will see, there is variation between various labor agreements on contract notifications requirements, so, as always, it is important to refer to a specific MOU when you have a question.

### Requirements for Advance Notice to, and Meeting with, the Affected Unions

Pursuant to the City’s memoranda of understanding (“MOUs”) with its labor unions, departments are currently required to notify affected unions of PSCs if and when the services the department seeks to contract out could potentially be performed by one or more represented classifications. Under all MOUs except the miscellaneous SEIU, Local 1021 MOU, departments must send such notices to affected unions either at the time the City issues a Request for Proposals/Request for Qualifications, or thirty (30) calendar days prior to the submission of a PSC request to DHR and/or the Commission, whichever occurs first. Such notice must include a copy of the draft PSC summary form. However, the miscellaneous **SEIU, Local 1021 MOU** requires notices to affected unions **either at the time the City issues a Request for Proposals/Request for Qualifications, or sixty (60) calendar days prior to the submission of a PSC request to DHR and/or the Commission, whichever occurs first.** This 60-day requirement also applies to notifications to SEIU, Local 1021 for Prop J contracts and grants, as well as amendments to PSCs valued at more than \$100,000 where such services could potentially be performed by represented classifications.

If an affected union wishes to meet with the department over the proposed PSC, the union must submit a request to do so within two (2) weeks of receipt of the department’s notice. However, in the case of the SEIU, Local 1021 (miscellaneous) MOU, the union has **21 calendar days** after receipt of the department’s notice to request a meeting over the proposed PSC. The parties may discuss possible alternatives to contracting out and whether the department staff has the expertise and/or facilities to perform the work. Upon request, the department must give the affected union access to any pertinent background information and/or documentation relating to the service the department is seeking to contract out. Further, in order to ensure that the parties are fully able to discuss their concerns regarding a proposed PSC, the department must take appropriate steps to ensure that department representatives responsible for the decision to contract-out attend this meeting.

Lastly, departments are required to provide affected unions with notices of departmental commission meetings during which proposed PSCs are calendared for consideration, where such services could potentially be performed by represented classifications.

Please refer to the applicable MOU on the DHR website at [www.sfgov.org](http://www.sfgov.org) for additional notice and/or procedural requirements. Existing language in MOUs that provides additional notice and/or otherwise enhanced provisions shall not be superseded by the language in this summary.

**Advance notice to Employee Organizations of Construction/Maintenance or Job Order Contracts**

Departments are also required to notify the affected Craft unions with a copy to the San Francisco Building Trades Council of any construction/maintenance or job order contracts, where such services could potentially be performed by represented craft classifications. Departments must send such notices to said labor organizations at the time the City issues an invitation for a Construction Bid and Specifications.

**City departments are also required to notify Electrical Workers, Local 6, Operating Engineers, Local 3 and any Craft unions party to the Consolidated Crafts MOU with notice twenty (20) calendar days prior to the time the City issues a Task Order/Work Order funded by a Construction/Maintenance or Job Order Contract, where such services could potentially be performed by classifications represented by those Craft unions.**

If an affected union wishes to meet with the department over the propose contract, the union must submit a request to do so within two (2) weeks of receipt of the department's notice. The parties may discuss possible alternatives to contracting or subcontracting and whether the department staff has the expertise and/or facilities to perform the work. Upon request, the department must give the affected union access to any pertinent background information and/or documentation relating to the service the department is seeking to contract out. Further, in order to ensure that the parties are fully able to discuss their concerns regarding a proposed contract, the department must take appropriate steps to ensure that department representatives responsible for the decision to contract-out attend this meeting.

Lastly, pursuant to many MOUs, departments are required to provide affected unions with notice(s) of departmental commissions and Civil Service Commission meetings during which proposed contracts are calendared for consideration, where such services could potentially be performed by represented classifications.

Please refer to the applicable MOU on the DHR website at [www.sfdhr.org](http://www.sfdhr.org) for additional notice and/or procedural requirements.

### **Annual Salary Ordinance**

As a reminder, the Annual Salary Ordinance authorizes the Human Resources Director to administratively amend the ASO to add new positions when a department contracts-in work and the Controller authorizes the transfer of professional services money to salary.

Section 1.1.B.J. of the Administrative Provisions of the ASO now reads:

“Consistent with the Annual Appropriations Ordinance Administrative Provision 11.2 Professional Service Contracts, the Human Resources Director is authorized to add positions necessary for the specific purpose of using City personnel to perform work in lieu of private contractors, when funds appropriated for professional services contracts are approved by the Controller for transfer to the account for salaries on the recommendation of the department head.”

(Located on the Board of Supervisors’ website at <http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances14/o0147-14.pdf>)

### **Questions**

For questions regarding MOU provisions on PSC notice or procedural requirements, please contact the Employee Relations Division at [employeerelations@sfgov.org](mailto:employeerelations@sfgov.org).

If you have any questions about PSC submittal and review process, please send your inquiry to [dhr-psccordinator@sfgov.org](mailto:dhr-psccordinator@sfgov.org).