


The California State University
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To: CSU Presidents

From: Jackie R. McClain 
Vice Chancellor
Human Resources

Subject: Management Personnel Plan Compensation– Equity Increase Program

Management Personnel Plan (MPP) Title 5 regulations provide the chancellor and presidents flexibility to determine appropriate salaries to be paid MPP employees and appropriate salary adjustments to be provided based on merit and need. It has been the chancellor's policy that salary increases may be provided during the annual merit salary increase program or when there is a change in MPP assignment that results in a change in MPP job code.

Following discussions with Chancellor Reed and presidents, it has been determined appropriate to provide increased MPP salary authority to presidents to enable them to address equity, including market, issues if needed. This flexibility will correspond with that currently provided to presidents for represented employees. The following guidelines are to be followed when making an equity salary determination for a MPP employee:

- Equity salary increases may be authorized only by the president and the authorization may not be delegated.
- Equity salary increases are to be approved only in rare circumstances based upon appropriate documentation.
- Presidents are to report equity salary increases to the vice chancellor of human resources by January 31 of each year for the prior calendar year. The report is to include the following information: employee name; employee position; increase amount; increase effective date; and new salary rate.

The employment history system will be modified to allow a change in a salary rate as the result of an equity increase without a change in MPP job code. Campuses should use the SCR transaction code (Item 719 = 53) to process equity pay increases.

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If you have questions, please contact Cathy Robinson in Human Resources Administration at (562) 951-4411. This HR Letter is available on Human Resources Administration's web page at: <http://www.calstate.edu/HRAdm/memos.shtml>.

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