

THE CALIFORNIA STATE UNIVERSITY  
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Long Beach, California 90802-4210  
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**Date:** July 15, 2002 **Code:** TECHNICAL LETTER  
HR/Salary 2002-11

**To:** Human Resources Directors  
Payroll Managers

**From:** Cathy Robinson, Senior Director  
Human Resources Administration

**Subject:** 2002/03 Salary Program for Academic Professionals of California (Unit 4) Employees

The California State University (CSU) signed a side agreement with the Academic Professionals of California (APC) to modify the salary provisions of the collective bargaining agreement for fiscal year 2002/03 only. The terms of this agreement are as follows:

❖ **Salary Programs:**

- 1% General Salary Increase (GSI) effective July 1, 2002
- No Merit Service Increase (MSI) provision for 2002/03
- Performance-based Salary Increase (PBSI) from campus funds
- 5% Long-Term Satisfactory Service Bonus for eligible employees
- Educational Achievement Stipend for 2001/02 delayed until 2002/03

**Detailed Program Information for Salary Provisions**

To help campuses process actions, processing instructions are provided in Attachment A and include information on pay scales, employment history (PIMS) and payroll impact, as appropriate, and CMS PeopleSoft baseline impact for Administer Workforce. For campus convenience, program information and processing instructions for new and on-going salary provisions are provided on Human Resources web site at: <http://www.calstate.edu/HRAdm/SalaryProgram/index.shtml>. Information for new salary provisions is provided below:

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**Distribution:**

CSU Presidents  
Vice Chancellor, Human Resources  
Vice Presidents, Administration  
Vice Presidents, Academic Affairs  
Vice Presidents, Student Affairs

Associate Vice Presidents/Deans of Faculty  
Director, SOSS  
Employee Relations Designees  
Budget Officers

❖ **General Salary Increase (GSI):**

- Effective July 1, 2002, the State Controller's Office (SCO) will post a 1.0% GSI to individual salary rates of all bargaining unit members and salary range minimums and maximums of all bargaining unit classifications. The GSI mass update program will run on July 19, 2002.
- The mass update program automatically posts GSIs for active employees whose appointment expiration date has passed. In order to assist campuses in identifying these employees, **CIRS Compendium Report H50, Cycle 0207**, will be available for campus reference on July 25, 2002.

The following processing instructions are provided in Attachment A:

⇒ Salary Increase Programs: I – General Salary Increase

❖ **Merit Service Increase (MSI):**

- No MSI will be provided in fiscal year 2002/03.

❖ **Performance-based Salary Increase (PBSI):**

- No systemwide funds are allocated for the PBSI program for this fiscal year.
- Campuses with unspent PBSI funds from 2001/02 must rollover these funds into the PBSI pool for 2002/03. PBSIs from these funds are effective July 1, 2002.
- PBSIs from campus funds can be awarded at any time.
- PBSIs are in the form of a base salary increase or a one-time bonus for employees who have reached the maximum rate of the salary range of the classification. Employees close to the maximum of the salary range may receive both a base salary increase up to the maximum of the range and a one-time bonus for any remaining award.
- The maximum PBSI and/or performance bonus per employee is 7.5% of the employee's base salary.

The following processing instructions are provided in Attachment A:

⇒ Salary Increase Programs: II – Performance-Based Salary Increase

⇒ Bonus/Additional Pay Programs: I – Performance Bonus

❖ **Long-term Satisfactory Service (LTSS) Bonus:**

- The LTSS bonus is a lump sum award, payable to employees who meet established service and performance criteria in the prior fiscal year. If either of these criteria is not met, the employee will not be eligible for the LTSS bonus in 2002/03.
- The LTSS bonus amount is equal to five percent (5%) of the employee's monthly salary rate (exclusive of overtime and other premium payments) as of the employee's 5<sup>th</sup> year anniversary increment, multiplied by 12, and expressed as a percentage of the employee's previous calendar year gross earnings (W-2 related earnings).

- LTSS service requirements, performance requirements and calculation instructions remain unchanged from the prior years and can be found on Human Resources web site at:  
<http://www.calstate.edu/HRAdm/SalaryProgram/Unit4/index.shtml>
- **CIRS Compendium Report G94** is available for campus reference and will be updated monthly to assist campuses in identifying eligible employees based on service. This report contains relevant employment history transactions for Unit 4 employees with a minimum of 10 years of service. Please note that the 10 years of service do not take into consideration any non-qualified months, breaks in service and leaves. Campuses will need to carefully review transactions to determine months and years of qualified service.
- A sample communication letter is provided in Attachment B.

The following processing instruction is provided in Attachment A:

⇒ Bonus/Additional Pay Programs: II –Long-Term Satisfactory Service Bonus

❖ **Educational Achievement Stipend:**

- Implementation of the Education Achievement Stipend will be deferred to the end of 2002/03. Employees eligible for the stipend in 2001/02 will be combined with those newly eligible in 2002/03.
- Specific instructions will be forthcoming at a later date.

Please note the employees on Military Leave receiving Military Difference in Pay CSU salary supplement should have the difference between the CSU salary and the military pay recalculated based on the employee's new salary rate, pursuant to CSU policy.

For your reference, a copy of the side agreement is provided in Attachment C. Questions regarding this technical letter should be directed to Human Resources Administration at (562) 951-4411. This technical letter is available on Human Resources' web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

CR/gc

**TECHNICAL LETTER**  
**HR/Salary 2002-11**  
**ATTACHMENT A**

<b>PROCESSING INSTRUCTIONS</b>
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**SALARY INCREASE PROGRAMS**  
**I - General Salary Increase**

<b>PAY SCALES IMPACT:</b>	
Change Summary:	Increase the minimums and maximums of the ranges by 1.0%.
Class Code(s):	All Unit 4 classifications
CBID:	R04
Pay Scales Effective Date:	07/01/02
Date in Production:	07/20/02
Pay Letter:	2002-04

<b>EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:</b>	
Processing Responsibility:	SCO mass update
Processing Date(s):	07/19/02
Effective Date:	07/01/02
PIMS Transaction:	GEN
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR/SA 2002-11
Pay Amount:	1.0%
Pay Form:	Base salary increase
Lump Sum Earnings ID:	N/A
Employees on Leave:	<ul style="list-style-type: none"> <li>• Increases are effective 07/01/02 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957= 40) on 07/01/02.</li> <li>• Increases for other employees on leave (non-pay status) are to be keyed by the campus via GEN Transaction, effective the date the employee returns to pay status.</li> </ul>
Additional Information:	<ul style="list-style-type: none"> <li>• All employees who are active as of 07/01/02 will receive the GSI via GEN Transaction, including those employees whose appointment expiration date is prior to 07/01/02 who have not been separated.</li> </ul>
SCO Personnel Letter:	<a href="http://www.sco.ca.gov/ppsd/scoltrs/">http://www.sco.ca.gov/ppsd/scoltrs/</a>

<b>COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:</b>	
Pay Scales Impact:	Salary Schedule Load provided by HR-ISA to SOSS on 07/15/02.
GSI/SSI Load Impact:	Yes. Refer to Business Process Guide for instructions.
Action/Reason:	Pay Rate Change/General Salary Increase (Pay Rt Chg/GSI)
Baseline Instructions:	<a href="http://www.calstate.edu/hrpims/awppm/awppm.htm">http://www.calstate.edu/hrpims/awppm/awppm.htm</a>

**TECHNICAL LETTER  
HR/Salary 2002-11  
ATTACHMENT A**

<b>PROCESSING INSTRUCTIONS</b>
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**SALARY INCREASE PROGRAMS  
II - Performance-Based Salary Increase**

<b>PAY SCALES IMPACT:</b>	
Change Summary:	N/A
Class Code(s):	N/A
CBID:	N/A
Pay Scales Effective Date:	N/A
Date in Production:	N/A
Pay Letter:	N/A

<b>EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:</b>	
Processing Responsibility:	Campus
Processing Date(s):	At the discretion of the President.
Effective Date:	<ul style="list-style-type: none"> <li>• PBSIs awarded from systemwide performance funds not spent in prior years are effective 07/01/02.</li> <li>• PBSIs awarded from campus funds can be effective at any time, at the discretion of the President; however, the effective date must be the beginning of a pay period.</li> </ul>
PIMS Transaction:	SCR
Detailed Transaction Code (Item 719)	50
EH Remarks (Item 215)	N/A
Pay Amount:	Maximum of 7.5% of the employee's base pay, not to exceed the salary range maximum.
Pay Form:	Base salary increase or lump sum if employee is at the max.
Lump Sum Earnings ID:	<p>“SF” – For non-exempt employees  “S6” – For exempt employees  Refer to Bonus/Additional Pay Processing Instructions</p>
Employees on Leave:	<ul style="list-style-type: none"> <li>• Increases are effective 07/01/02 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957= 40) on 07/01/02.</li> <li>• Increases for other employees on leave (non-pay status) are to be keyed by the campus via SCR Transaction effective the date the employee returns to pay status.</li> </ul>
Additional Information:	<ul style="list-style-type: none"> <li>• Refer to Article 23 of the collective bargaining agreement.</li> <li>• Transactions with the same effective date must be processed in the following sequence: <ol style="list-style-type: none"> <li>1. GEN Transaction for GSI</li> <li>2. SCR Transaction for PBSI (no MSI program for 2002/03)</li> </ol> </li> </ul>
SCO Personnel Letter:	<a href="http://www.sco.ca.gov/ppsd/scoltrs/">http://www.sco.ca.gov/ppsd/scoltrs/</a>

<b>COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:</b>	
Pay Scales Impact:	N/A
GSI/SSI Load Impact:	N/A
CMS Action/Reason:	Pay Rate Change/ Merit/Perf Increase (Pay Rt Chg/MER)
CMS Baseline Instructions:	<a href="http://www.calstate.edu/hrpims/awppm/awppm.htm">http://www.calstate.edu/hrpims/awppm/awppm.htm</a>

**TECHNICAL LETTER**  
**HR/Salary 2002-11**  
**ATTACHMENT A**

<b>PROCESSING INSTRUCTIONS</b>
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**BONUS/ADDITIONAL PAY PROGRAMS**

**I - Performance Bonus**

<b>PIP PROCESSING INFORMATION:</b>	
Processing Responsibility:	Campus
Processing Date(s):	At the discretion of the campus President.
Earnings ID:	“SF” – For non-exempt employees “S6” – For exempt employees
Amount:	Not to exceed 7.5% of the employees’ base pay, including any base salary increase.
Subject to PERS Withholdings:	Yes
Taxable/Reportable:	Yes
Subject to Medicare/Social Security	Yes
Subject to FLSA Regulations:	Yes
Included in the Calculation for NDI/IDL Payments:	No
Additional Information:	Refer to Article 23 of the collective bargaining agreement.

**BONUS/ADDITIONAL PAY PROGRAMS**

**II – Long-Term Satisfactory Service Bonus**

<b>PIP PROCESSING INFORMATION:</b>	
Processing Responsibility:	Campus
Processing Date(s):	Following the employee’s anniversary milestone
Earnings ID:	“GR”
Amount:	5% of the employee’s monthly salary (exclusive of overtime and other premium payments)
Subject to PERS Withholdings:	No
Taxable/Reportable:	Yes
Subject to Medicare/Social Security	Yes
Subject to FLSA Regulations:	Yes
Included in the Calculation for NDI/IDL Payments:	No
Additional Information:	Refer to Article 23 of the collective bargaining agreement.

## SAMPLE EMPLOYEE COMMUNICATION

### LONG TERM SATISFACTORY SERVICE BONUS NOTIFICATION

Dear [employee name],

Congratulations on achieving your [10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, etc.] anniversary at [campus name]. In accordance with provision 23.7(b) of the agreement between the CSU and the Academic Professionals of California, you will receive a one-time lump sum bonus amount of [\$amount] which shall be provided to you on [date].

This bonus amount was calculated per provision 23.7(b) as follows:

$[\text{_____}]$  (actual monthly salary as of your [10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, etc.] anniversary) x 5% x [\_\_\_\_\_] (# months in work year) =  $[\text{_____}]$  (bonus amount).

This bonus amount is [\_\_\_\_\_] % of your gross earnings for the [\_\_\_\_\_] calendar year.

If you have questions regarding this bonus, please contact [insert campus representative name].

**MUTUAL MODIFICATION OF THE  
COLLECTIVE BARGAINING AGREEMENT  
BETWEEN THE  
BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY  
AND THE  
ACADEMIC PROFESSIONALS OF CALIFORNIA, LOCAL 1002, LIUNA, AFL-CIO**

**UNIT 4 - ACADEMIC SUPPORT**

**JULY 1, 2000 - JUNE 30, 2003**

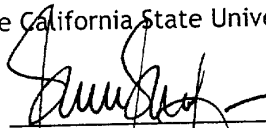
Notwithstanding any other provisions of the parties' Agreement, the parties mutually agree to modify the Agreement as follows:

1. In lieu of the FY 2002/03 total compensation increase and distribution provided in provision 23.9a, the following shall be provided, whether or not a final CSU budget is enacted prior to July 1, 2002:
  - a. All salary rates on the salary ranges of all bargaining unit classifications and the individual salary rates of all bargaining unit members shall be increased by 1.00%, effective July 1, 2002. (This General Salary Increase is as defined in provision 23.3.)
  - b. No Merit Service Increases shall be paid during FY 2002/03.
  - c. No additional systemwide funds shall be contributed to the Performance Pay program during FY 2002/03.
  - d. An additional amount of \$462,500 (equal to the annual budgeted cost of a 0.62% GSI effective July 1, 2002) shall be contributed to the Bonus/Stipend Programs for FY 2002/03.
  - e. The Long-Term Satisfactory Service Bonus Program in 23.7b shall be continued during FY 2002/03, utilizing available Bonus/Stipend funds accumulated per provision 23.7a, the formula in 23.9a for FY 2001/02, and provision 1.d above for FY 2002/03. (This accumulation is as defined in provision 23.9c.2.a) as amended by this mutual modification.)
2. Implementation of the Educational Achievement Stipend Program provided in provision 23.9b.2.b) shall be deferred from FY 2001/02 to FY 2002/03. Employees eligible for the Educational Achievement Stipend in FY 2001/02 per provision 23.9b.2.b), together with employees eligible for the Educational Achievement Stipend in FY 2002/03 per provision 23.9c.2.b), shall be paid stipends as if the program began in FY 2002/03. An eligible employee shall not forfeit his/her entitlement to an Educational Achievement Stipend as a result of leaving the bargaining unit or the University at any time during or after FY 2001/02. The CSU's obligation to funding the bonus pool for FY 2002/03 is limited to its obligation under 1.d. above. The funds available for bonus/stipend programs during FY 2002/03 will be the total of the "new" funds contributed to the bonus pool during each of FY 2000/01, FY 2001/02 and FY 2002/03 (i.e. an amount

equal to the annual budgeted cost of a 0.60% GSI for FY 2000/01, an amount equal to the annual budgeted cost of a 0.20% GSI for FY 2001/02, and an amount equal to the annual budgeted cost of a 0.62% GSI for FY 2002/03). The funds available for the Educational Achievement Stipend Program therefore will be that total less the funds necessary for payment of Long-Term Satisfactory Service Bonuses to employees who become eligible during FY 2002/03.


3. An employee eligible for participation in the CSU Fee Waiver Program as defined in provision 16.5 may transfer his/her existing fee waiver benefit entitlement to a spouse, dependent child, or domestic partner, subject to the following conditions:
  - a. the courses are taken by a spouse, dependent child, or domestic partner who is matriculated toward a degree and the courses are for credit toward the degree's requirements;
  - b. this fee waiver benefit does not apply to out-of-state tuition; and
  - c. the administration determines that there is space available in such course offerings for the spouse, dependent child, or domestic partner.Eligibility for this program commences with the beginning of Fall Term 2002, and participation by an eligible employee's spouse, dependent child, or domestic partner is subject to each CSU campus' standard admission and registration policies and procedures. Eligibility criteria for domestic partners shall be those used to determine such eligibility for health benefits.
4. APC hereby withdraws grievance #4-01-035 and agrees not to file any other grievances or arbitrations concerning the CSU's failure to provide, prior to the date of this mutual modification, the dependent fee waiver benefit to Unit 4 employees.
5. This mutual modification is without prejudice to any monetary obligations, if any, of either party pursuant to arbitration awards.

For The California State University:

  
\_\_\_\_\_  
Samuel A. Strafacci  
Assistant Vice Chancellor, Human Resources

6/19/02  
\_\_\_\_\_  
Date

For The Academic Professionals of California:

  
\_\_\_\_\_  
Charles F. Goetzl  
President

6/19/02  
\_\_\_\_\_  
Date