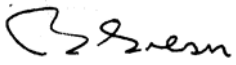


Date: December 20, 2007

Code: TECHNICAL LETTER
HR/Salary 2007-31

To: Human Resources Directors
Payroll Managers

From: Bruce J. Gibson 
Interim Senior Director
Human Resources Administration

Subject: 2007/08 Merit Bonus Salary Program for Academic Support (Unit 4) Employees

Overview

Audience: Human Resources Directors, Payroll Managers, and/or campus designee(s) responsible for implementing employee bonuses

Action Item: Implementation of Merit Bonus

Affected Employee Group(s)/Unit(s): Eligible Unit 4 Employees

Summary

This Technical Letter provides information regarding the Merit Bonus for eligible Unit 4 employees for fiscal year 2007/2008.

Campus Human Resources Directors, Payroll Managers, and designee(s) responsible for evaluating eligibility and processing employee merit bonuses should review the remainder of this Technical Letter for more detailed information.

Detailed Program Information for Bonus Provision

As a reminder, a merit salary bonus pool of 1.0%, totaling \$762,300, is available to award one-time lump sum bonuses for fiscal year 2007/2008. These funds were previously allocated to the campuses in 2005/06 and in 2006/07. Because the bonuses are lump-sum, as opposed to increases to employees' base compensation, the allocations are available to be awarded as lump-sum bonuses each year. Individual employee awards must be expressed and communicated to the employee as a percentage of gross pay (including overtime) for the period of time for which the bonus is awarded. Collective Bargaining and the Budget Office will be sending campuses a joint memorandum reminding each campus of its share of these previously allocated systemwide Merit Bonus funds.

Distribution:

CSU Presidents
Interim Vice Chancellor, Human Resources
Vice Presidents, Administration

Benefit Officers
Budget Directors

Each campus should follow its established procedure for awarding lump sum merit bonuses. Campuses should also refer to contractual Merit Bonus Program guidelines, contained in Provision 23.8 of the Collective Bargaining Agreement. Please note that all merit funds are to be awarded prior to the end of the fiscal year.

Refer to program information and processing instructions available on the Human Resources Web site at:
http://www.calstate.edu/HRAdm/SalaryProgram/Unit4/salprog_meritbonus.shtml

Please direct questions regarding this technical letter as follows:

- | | |
|--|--|
| ➤ Bonus processing instructions | CSU Audits representative at the SCO |
| ➤ CMS Baseline processing instructions | CMS liaison for systemwide HR at (526) 951-4418 |
| ➤ Collective bargaining aspects | Collective Bargaining at (562) 951-4400 |
| ➤ All other questions | Human Resources Administration at (562) 951-4411 |

This document is available on the Human Resources Administration's Web site at:
<http://www.calstate.edu/HRAdm/memos.shtml>.

BJG/cc