

**Memorandum of Understanding
Between CSU and CFA
Fiscal Year 2007-2008 Equity Increase Program**

I. Introduction

Pursuant to Article 31.17, an equity increase program was established, to be implemented over the span of two years, which the parties anticipated would include:

- I. Equity adjustment increases based on benchmark salaries in defined discipline groups;
- II. Equity experience stipends for those with the most severe salary inequities; and possibly
- III. Other equity increases.

One of the guiding principles negotiated in 31.17.a.2 is that whatever the joint CSU/CFA Administrative Oversight Committee ultimately agreed upon would be administratively efficient and not burdensome to implement.

For fiscal year 2007-2008, the Joint Oversight Committee was tasked with developing an equity program that targets Assistant Professors and equivalent librarian, coaching and counselor ranks. The total cost, including both associated payroll and benefit contributions paid by the CSU and an appeals pool, shall not exceed seven million dollars (\$7,000,000).

Equity program funds not used in Fiscal Year 2007-2008 will roll forward into the funds available for Fiscal Year 2008-2009. Since stipends are one-time payments, the funds spent to pay the stipends in 2007-08 will be available in Fiscal year 2008-09.

II. Fiscal Year 2007-2008 Equity Increase Program Specifics

After six months of intensive negotiation over how best to design a program to meet the above parameters, the parties have agreed to the following:

A. Eligible Population

Continuing tenure-track instructional faculty, on leave or active as of July 1, 2007, at the assistant rank (and the equivalent librarian, coaching, counselor and

California Maritime Academy classifications) are potentially eligible. See Appendix A for specific eligibility criteria. Individuals who were on the CSU payroll on July 1, 2007 but are not employed by the CSU at time of implementation are not eligible.

B. Hire Date Definition

The "Hire Date" is defined as the most recent hire date within the eligible group (tenure-track instructional faculty, librarians, counselors, or coaches) within a campus.

- For instructional faculty, the hire date is the most recent point-in-time that a faculty member entered a tenure-track appointment at the campus. If an individual's appointment was converted from academic year (AY) to 12 month (or vice versa) at the same campus, the earlier tenure-track appointment defines the hiring date.
- For librarians, the hire date is the most recent point-in-time that a librarian entered a tenure-track (i.e., not temporary) librarian appointment at the campus.
- For counselors, the hire date is the most recent point-in-time that a counselor entered a tenure-track (i.e., not temporary) counselor appointment at the campus.
- For coaches, the hire date is the most recent point-in-time that a coach entered a coach appointment in the eligible classification at the campus.

See Appendix B for examples.

C. Equity Program for Assistant Professors

(See Section D for Librarian, Counselor and Coaching Faculty awards.)

Overview:

The amount of the Equity Increases (base salary increases) for assistant professors will be based on consideration of the faculty member's current salary (as of July 1, 2007) relative to the SSI MAX (as of July 1, 2007) and his/her year of hire. The program is designed to ensure that all assistant professors (regardless of hire date) have salaries equal to or greater than the SSI MAX at the time they are eligible for promotion to associate (assuming normal progress to promotion).

Assistant professors with July 1, 2007 salaries at or above the SSI MAX

Assistant professors with salaries **at or above** the SSI MAX will receive a "Hire Date Award" that corresponds to the year in which they were hired as an assistant professor on the campus where they are currently employed. The amounts of the awards vary by hire years and some recent years have an award of \$0.

Assistant professors with July 1, 2007 salaries below the SSI MAX

Assistant professors with current salaries **below** the SSI MAX will receive either the Hire Date Award corresponding to their year of hire OR a "Benchmark Award" of a different amount. The Benchmark Award amount will depend on the faculty member's July 1, 2007 salary compared to the July 1, 2007 SSI MAX.

Specifically, if the Hire Date Award will increase the faculty member's salary to an amount that is greater than the SSI MAX, then the faculty member will receive the Hire Date Award that corresponds to her/his hire date. If the Hire Date Award method will not bring his/her salary above the SSI MAX, then a Benchmark Award will be calculated instead. The Benchmark Award will be the amount by which the salary must be increased so that *with SSI awards* it will equal the SSI MAX at promotion.

A Benchmark Award may be greater than OR less than the Hire Date Award for a given hire year. Individuals who receive a Benchmark Award amount that is lower than the Hire Date Award amount for her/his date of hire will also receive a one-time stipend of \$1,000 (for appointments that are less than full-time, stipends will be prorated down). Note that assistant professors with salaries below the SSI MAX whose salaries are expected to be equal to the SSI MAX at the time of promotion as a result of the regular award of SSIs will not be eligible for an Equity Increase, but they may be eligible for a one-time stipend.

All Equity increases for assistant professors will be prorated to timebase, with the maximum timebase being 1.0 (i.e., 100% or full-time).

Equity Increase Calculation Methodology:

Campuses will go through a review process to verify eligible faculty and a calculation process to determine award amounts. Equity Increases will be determined using EITHER a Hire Date Award OR a Benchmark Award calculation.

1) Equity Award based on Hire Date.

If an eligible faculty member's current salary PLUS the Hire Date Award amount (corresponding to his/her hire date) is greater than the July 1, 2007 SSI MAX for his/her classification (e.g., \$5,118 monthly or \$61,416 annually for AY Assistant Professors) then the Equity Increase is equal to the amount of the Hire Date Award, shown in Table 1.

**Table 1:
Summary of "Hire Date Award" Equity Increases – Assistant Professors**

Hire Date	Academic Yr./10-Month Appointments		12-Month Appointments (reflect additional 15%)	
	Award Amount		Award Amount	
	-ANNUAL-	-MONTHLY-	-ANNUAL-	MONTHLY-
Between July 1, 2006 and June 30, 2007	\$0	\$0	\$0	\$0
Between July 1, 2005 and June 30, 2006	\$0	\$0	\$0	\$0
Between July 1, 2004 and June 30, 2005	\$2,004	\$167	\$2,304	\$192
Between July 1, 2003 and June 30, 2004	\$3,000	\$250	\$3,456	\$288
Between July 1, 2002 and June 30, 2003	\$3,504	\$292	\$4,032	\$336
Between July 1, 2001 and June 30, 2002	\$4,008	\$334	\$4,608	\$384
Between July 1, 2000 and June 30, 2001	\$4,008	\$334	\$4,608	\$384
June 30, 2000 and before	\$2,004	\$167	\$2,304	\$192

2) **Equity Award based on Benchmark.**

Equity increases for all other eligible faculty members will be calculated using a Benchmark Award formula.

- See Appendix C for methodological details about Equity Award calculations.
- The Benchmark Award amount takes into account a theoretical number of SSIs a faculty member could expect to receive prior to promotion to associate (given his/her hire date). If the expected award of SSIs will not increase the current salary to the SSI MAX at promotion, then the salary is increased by the amount necessary to achieve that goal.
- Using the Benchmark Award method, some individuals will receive increases that are less than the dollar amount corresponding to their hire year. These individuals will receive a stipend. See Appendix D for details about determining who receives a stipend.
- Note that if the current salary plus SSIs will reach the SSI MAX, the Benchmark Award is zero.

D. Counselors, Librarians, and Coaches

The program for eligible Counselors, Librarians, and Coaching Faculty is an equity increase to base salary in the following amount:

**Table 2:
Summary of "Hire Date Award" Equity Increases – Counselors, Librarians,
and Coaching Faculty**

Hire Date	Academic Yr./10-Month Appointments		12-Month Appointments (reflect additional 15%)	
	Award Amount		Award Amount	
	-ANNUAL-	-MONTHLY-	-ANNUAL-	MONTHLY-
Between July 1, 2006 and June 30, 2007	\$0	\$0	\$0	\$0
Between July 1, 2005 and June 30, 2006	\$0	\$0	\$0	\$0
Between July 1, 2004 and June 30, 2005	\$2,004	\$167	\$2,304	\$192
Between July 1, 2003 and June 30, 2004	\$3,000	\$250	\$3,456	\$288
Between July 1, 2002 and June 30, 2003	\$3,504	\$292	\$4,032	\$336
Between July 1, 2001 and June 30, 2002	\$4,008	\$334	\$4,608	\$384
Between July 1, 2000 and June 30, 2001	\$4,008	\$334	\$4,608	\$384
June 30, 2000 and before	\$2,004	\$167	\$2,304	\$192

- The Equity Award increases for counselors, librarians, and coaches will be prorated to timebase, with the maximum timebase being 1.0 (i.e., 100% or full-time).

E. Implementation Issues

- FMI awards and prior equity awards will **not** be backed out to determine eligibility for the Equity Award by Benchmark. That is, the salary at July 1, 2007 includes any FMI and prior equity awards.
- The projection method (used for Benchmark Awards) assumes a normative time to promotion of 6 years, and this projection method implicitly assumes an SSI will be received in each year going forward to promotion, whether or not it actually is.
- Service credit granted to tenure-line faculty when they were first appointed will not be factored into the calculation of Benchmark Awards.
- **Impact of equity increases on future SSI eligibility** (including the SSIs in Fall 2007) both within rank and outside of rank (i.e., associate and full ranks):
 - Equity awards will not be backed out to determine eligibility for SSIs within assistant rank, and equity awards will not be backed out to determine eligibility for SSIs within associate or full ranks.
 - After equity awards are applied, campuses will re-compute assistant and associate counters.
- **Sequencing of increases:**
 - The equity awards will be applied on top of the 1% and 3.7% GSIs already in the system.
 - SSIs already posted in Fall 2007 (e.g., August or September) will be recalculated based on the revised July 1, 2007 salary after the equity award.
 - Promotions already posted in Fall 2007 (e.g., August or September) will be recalculated based on the revised July 1, 2007 salary after the equity award.

**Table 3:
Summary of Award Sequencing**

Award	Population	Effective Date	Order for awards with same Effective Date	Impacted by Equity Program?
GSI - 1%	To All	July 1, 2007	Posted First	No.
GSI - 3.7%	To All		Posted Second	No.
Equity Award	To Those Eligible		Posted Third	n/a (New Entry in System)
SSI - 2.65%	To Those Eligible	Fall 2007 (e.g., August or September)	Posted First	Yes, to be recalculated. SSI eligibility will be based solely on the post-equity award salary.
Promo to Associate - 7.5+%	To Those Eligible		Posted Second	Yes, to be recalculated. Original percentage for promotion would be recalculated on new salary.

- Faculty with split appointments will have equity awards calculated and prorated to timebase for each appointment.
- For faculty on leave without pay, the award will be issued upon reinstatement of appointment and pay.
- With the exception of on leave employees, increases shall be processed by the April May 2008 payroll cutoff date. *6/2-11-08*
- Eligible faculty members, including chairs, receiving administrative stipends will have benchmark calculations based only on their regular base pay salary (i.e., the stipend portion will be excluded).

- The Equity Committee shall be provided no later than May 12, 2008 with a list of all faculty members who were eligible for consideration of an Equity Increase and/or stipend under this program and the amount of the received increases.

III. Appeal Process

- Equity increase appeals of an individual faculty member's award are limited to calculation errors.

Appendix A – Eligibility

Specific eligibility is subject to meeting the following criteria.

- Faculty in the following classifications are potentially eligible

Instructional Faculty

2360 (AY), range 3

2361 (12 Mo), range 3

2399 (AY), range 3

bc 2-11-08

CMA Instructional Faculty

0356 CMA – Cruise – AY – range 3 (Assistant professor)

0556 CMA– 2nd Cruise – AY – range 3 (Assistant professor)

Department Chair

2481 (12 mo), range 3

2482 (AY), range 3

Maritime Vocational Instructors

(note MVI-II is equivalent to assistant professor per MOU dated April 24,
2001 – see p. 242 in current contract)

0362, range 2 (cruise, AY)

0363, range 2 (non-cruise, AY)

0392, range 2 (12 mo)

Librarians with the probationary status of Tenure-track or Tenured

2919 Librarian, 10 mo, range 3

2920 Librarian, 12 mo, range 3

2913 Supervising Librarian, 10 mo, range 3

2914 Supervising Librarian, 12 mo, range 3

Student Services Professional, Academic Related with the probationary status of Tenure-track or Tenured

3070 SSP, AR I 12 mo

3071 SSP, AR I AY

- New hires for 2007-08 are **not** eligible. New hires for 2007-08 are defined as those with a hiring appointment after July 1, 2007 or whose first term of employment in an eligible classification begins in summer quarter 2007.
- Lecturers are **not** eligible.
- Coaching Specialists who are AY, 10 month, or 12 month in class codes 2379, 2380, and 2381 are the **only** category of Coaches eligible.
- Faculty participating in FERP are **not** eligible.
- Assistant professors who are tenured are eligible.
- Assistant professors, counselors, and librarians must be making satisfactory progress on the most recent evaluation completed in the RTP process to be eligible. Current periodic evaluations for coaches must indicate satisfactory progress.
- Faculty Unit Employees in the following classifications which are paid at flat rates are **not** eligible:
 - 2323 – Instructional Faculty – Extension – For Credit
 - 2322 – Instructional Faculty – Special Programs – For Credit
 - 2402 – Instructional Faculty – Summer Arts Program
 - 2357 – Instructional Faculty – Summer Session - Extension
 - 2356 – Substitute Instructional Faculty

Appendix B – Examples of Determining Hire Dates

Example 1:

An individual was an instructor (e.g., hired as ABD in a tenure-track position) and then became an assistant professor. The hire date is the point in time that the individual became an instructor (as opposed to the point in time the individual became an assistant professor)

Example 2:

An individual was a lecturer then became an assistant professor. The hire date is the point in time that the individual entered the assistant professor rank (as opposed to the point in time the individual became a lecturer)

Example 3 (A):

An individual was hired as an assistant professor at Campus A, then left Campus A, was hired at Campus B and is still currently at Campus B. The hire date is the point in time that the individual entered the assistant professor rank at Campus B (as opposed to the point in time the individual became an assistant professor at Campus A)

Example 3 (B):

An individual was hired as an assistant professor at Campus A, then left Campus A, was hired at Campus B, left Campus B and returned to Campus A. The hire date is the most recent (i.e., second) point in time that the individual entered the assistant professor rank at Campus A (as opposed to the first point in time the individual became an assistant professor at Campus A)

Example 4:

An individual was in an academic year tenure-track position and then switched to a 12 month tenure-track position. The hire date is the point in time that the individual entered the academic year tenure-track position (as opposed to the point in time the individual went to a 12 month appointment)

Appendix C – Methodological Details about Equity Award Calculations

To determine the amount of the equity award for all eligible faculty:

- 1) Determine eligible faculty member's Hire Date, Appointment Type, and July 1, 2007 Salary
- 2) In Table 3, find line corresponding to the faculty member's Hire Date and compare July 1, 2007 Salary in the appropriate section for the Appointment Type with the value in Column 1.
 - a. If the July 1, 2007 Salary is greater than or equal to the value in Column 1, then the Equity Award is the Amount in the "Hire Date Award" column.
 - b. If the July 1, 2007 Salary is less than the value in Column 1, then a Benchmark Award is calculated as follows:

$$\text{Benchmark Award}^* = \text{Column 2} - \text{Current salary}$$

*If this calculation is negative, then the equity increase is \$0.

Table 3 - Decision and Calculation Table for Hire Year Awards and Benchmark Awards

ANNUAL SALARIES

Appointment Type	Assistant Professors on Academic Year Appointments*			Assistant Professors on 12-Month Appointments*		
		Column 1	Column 2		Column 1	Column 2
SSI MAX RATE	\$61,416	"Hire Date Award"	"Benchmark Award"	\$70,680	"Hire-Date Award"	"Benchmark Award"
Hire Date	<u>Hire Date</u> Award Amt	<u>Floor</u>	<u>Target</u>	<u>Hire Date</u> Award Amt	<u>Floor</u>	<u>Target</u>
7/1/06 to 6/30/07	\$0	\$61,417	\$62,496	\$0	\$70,681	\$60,415
7/1/05 to 6/30/06	\$0	\$61,417	\$53,887	\$0	\$70,681	\$62,016
7/1/04 to 6/30/05	\$2,004	\$59,413	\$55,315	\$2,304	\$68,377	\$63,659
7/1/03 to 6/30/04	\$3,000	\$58,417	\$56,781	\$3,456	\$67,225	\$65,346
7/1/02 to 6/30/03	\$3,504	\$57,913	\$58,286	\$4,032	\$66,649	\$67,078
7/1/01 to 6/30/02	\$4,008	\$57,409	\$59,830	\$4,608	\$66,073	\$68,855
7/1/00 to 6/30/01	\$4,008	\$57,409	\$61,416	\$4,608	\$66,073	\$70,680
before 7/1/00	\$2,004	\$59,413	\$61,416	\$2,304	\$68,377	\$70,680

MONTHLY SALARIES

Appointment Type	Assistant Professors on Academic Year Appointments*			Assistant Professors on 12-Month Appointments*		
		Column 1	Column 2		Column 1	Column 2
SSI MAX RATE	\$5,118	"Hire Date Award"	"Benchmark Award"	\$5,890	"Hire-Date Award"	"Benchmark Award"
Hire Date	<u>Hire Date</u> Award Amt	<u>Floor</u>	<u>Target</u>	<u>Hire Date</u> Award Amt	<u>Floor</u>	<u>Target</u>
7/1/06 to 6/30/07	\$0	\$5,119	\$4,375	\$0	\$5,891	\$5,035
7/1/05 to 6/30/06	\$0	\$5,119	\$4,491	\$0	\$5,891	\$5,168
7/1/04 to 6/30/05	\$167	\$4,952	\$4,610	\$192	\$5,699	\$5,305
7/1/03 to 6/30/04	\$250	\$4,869	\$4,732	\$288	\$5,603	\$5,446
7/1/02 to 6/30/03	\$292	\$4,827	\$4,857	\$336	\$5,555	\$5,590
7/1/01 to 6/30/02	\$334	\$4,785	\$4,986	\$384	\$5,507	\$5,738
7/1/00 to 6/30/01	\$334	\$4,785	\$5,118	\$384	\$5,507	\$5,890
before 7/1/00	\$167	\$4,952	\$5,118	\$192	\$5,699	\$5,890

*Does not apply to Maritime appointments.

A separate set of tables applicable for Maritime appointments will be sent to Cal Maritime.

Appendix D – Stipend Eligibility

A subset of Assistant Professors who receive Benchmark Awards shall be eligible for a one-time (prorated to timebase) stipend of \$1,000 less applicable withholdings.

To determine which faculty members shall receive the stipend, compare the award amount from the Hire Date method that corresponds to the faculty member's hire date and appointment type and the award amount actually provided using the Benchmark Award method:

Receives Stipend.

If the Hire Date Award > Benchmark Award, a full-time faculty member (i.e., 1.0 FTE or greater timebase) will receive a one-time stipend of \$1,000. Stipend awards will be prorated to timebase up to 1.0 FTE. If a faculty member has a timebase greater than 1.0 FTE, the faculty member will receive \$1,000. If a faculty member has a timebase less than 1.0 FTE, the stipend award will be prorated downward accordingly.

Does NOT Receive Stipend.

If the Hire Date Award <= Benchmark Award, a faculty member is not eligible to receive a stipend.

For the California State
University,

Gail Brooks 1/31/08
Gail Brooks Date
Interim Vice Chancellor,
Human Resources

For the California Faculty
Association,

Andy Merrifield 1/31/08
Andy Merrifield Date
CFA Associate Vice President,
North