

Date: October 29, 2009

Code: TECHNICAL LETTER
HR/Salary 2009-01
Supplement #2

To: Associate Vice Presidents/Deans of Faculty
Human Resources Directors
Payroll Managers

From: Evelyn Nazario 
Assistant Vice Chancellor
Human Resources Management

Margaret Merryfield 
Senior Director
Academic Human Resources

Subject: Post-Promotion Increase Program for Faculty (Unit 3) – Year One (2008-09) Retirement Update

Overview

Audience: Associate Vice Presidents/Deans of Faculty, Human Resources Directors, Campus Payroll Managers and/or campus designees responsible for faculty payroll processing

Action Item: Correction to processing instructions for 2008/2009 PPI recipients retiring after July 1, 2008 and before February 1, 2010

Affected Employee Group(s)/Unit(s): Full Professor, Lecturer D, and equivalent Librarian, Counselor, and Coaching Faculty ranks

Summary

Eligible faculty members received lump sum awards through the Post-Promotion Increase program in 2008/2009. This technical letter provides instructions to campuses for backing out the lump sum payments and providing a base pay adjustment retroactive to July 1, 2008, for those individuals who received awards and retired or will retire after July 1, 2008, and prior to February 1, 2010. Academic personnel managers and staff, campus payroll managers, and campus designees responsible for faculty payroll processing should review the remainder of this technical letter.

The collective bargaining agreement between the California Faculty Association and the California State University (CSU) provides for a Post-Promotion Increase (PPI) program to be implemented in fiscal years 2008/2009 and 2009/2010. The CSU agreed to provide \$7 million in each fiscal year of the program to fund increases to base salary ranging from 2.5% to 3.5% for faculty members at the rank of Full Professor, Lecturer D, Librarian, SSP/AR-III, and Head Coach who have exhausted SSI eligibility and have been evaluated as meeting or exceeding performance expectations. Eligible faculty members with the earliest date of hire, representing approximately 50% of the total pool, were eligible to apply for 2008/2009 awards. Individuals received adjustments to base pay effective February 1, 2009, and lump sum payments equal to the difference between the

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new salary and the prior salary for each pay period between July 1, 2008 and the pay period preceding implementation of the base salary adjustment. The lump sum payments were not reportable to CalPERS

To maximize retirement compensation allowances for individuals retiring within 12 months of the PPI implementation, CalPERS has authorized the CSU to back out the lump sum payments and process the equivalent base salary adjustment effective July 1, 2008, for all affected individuals. This change would encompass individuals who received a lump sum increase and retired after July 1, 2008, and includes those planning to retire before February 1, 2010. Campuses are hereby instructed to implement this change.

Establishing an Accounts Receivable for Lump Sum Payment

Submit form STD 674 A/R to PPSD to establish an accounts receivable for the GV payment issued for the 02/09 pay period.

Processing instructions are provided in Attachment A

Post Promotion Increase Program Base Salary Adjustment

Please direct questions regarding this technical letter as follows:

PIMS processing instructions

CMS Baseline processing instructions

Collective bargaining aspects

All other questions

CSU Audits representative at the SCO

CMS liaison for systemwide HR at (562) 951-4418

Labor Relations at (562) 951-4400

Academic Human Resources at (562) 951-4503

This document is available on Human Resources Administration's Web site at:

<http://www.calstate.edu/HRAdm/memos.shtml>

EN/MM

Attachment

PROCESSING INSTRUCTIONS
Post Promotion Increase Program Base Salary Adjustment

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

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	Campus
Processing Date(s):	Through January 2010
Effective Date:	July 2008 pay period
PIMS Transaction:	CROV – Start of the February 2009 pay period CRO – Effective 07/01/08 (correct all subsequent transactions up to the CROV)
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR/SA2009-01#2 (on 7/01/08 CRO)
Pay Amount:	Varies, percentage equals the amount originally posted February 2009 pay period
Pay Form:	Base salary increase
Lump Sum Earnings ID:	N/A
Employees on Leave:	<ul style="list-style-type: none"> • Reinstatement the employee and then post a CRO effective the date of return for those employees on an unpaid leave of absence. • Employees on IDL/TD or NDI Catastrophic Leave should have the CRO posted the start of the July 2008 pay period.
Additional Information:	<ul style="list-style-type: none"> • Enter any base salary increase amount over the salary range maximum in Item 815 - Red Circle Rate/Plus Salary. Employees must be notified of impact to CalPERS and per the SCO Personnel Letter #09-021 please remember to notify Lisa Callahan in the SCO of any changes to red circle/plus salary status. • Submit form STD 674 A/R to PPSD to establish an accounts receivable for the GV payment issued in the 02/09 pay period.
SCO Personnel Letter:	N/A

CMS PROCESSING INFORMATION:	
Workforce Administration:	<ul style="list-style-type: none"> • Action/Reason: DTA/VOD (CROV) <ul style="list-style-type: none"> ○ Effective Date: Start of the February 2009 pay period ○ Comp Rate: Varies ○ Employment History Remarks: HR/SA 2009-01#2 • Action/Reason: PAY/MOU (CRO) <ul style="list-style-type: none"> ○ Effective Date: 07/01/08 ○ Comp Rate: Varies ○ Employment History Remarks: HR/SA 2009-01#2
Temporary Faculty:	Same as above

Benefits:	N/A
Time and Labor:	The amount of the payment previously entered in Additional Pay for the "GV" Earnings ID should be updated to reflect an amount of "\$0".
Leave Accounting:	N/A
Absence Management:	N/A
Labor Cost Distribution:	N/A
Additional Instructions:	Refer to the Additional Information above regarding correcting applicable transactions and entering data for Item 815.