Date: April 2, 2010

To: Human Resources Directors
Payroll Managers

From: Evelyn Nazario
Assistant Vice Chancellor
Human Resources Management

Subject: CSUEU Settlement for Employees on 3/12 Work Schedules From June 1, 2007 to June 9, 2009

Overview

Audience: Human Resources Directors, Campus Payroll Managers and/or campus designees responsible for CSUEU employee payroll

Action Item: Process settlement payments

Affected Employee Group(s)/Unit(s):
CSUEU employees on 3/12 work schedules between June 1, 2007–June 9, 2009

Summary

This technical letter provides instructions for processing payments to employees pursuant to the January 26, 2010, Settlement Agreement between CSUEU and CSU pertinent to employees on 3/12 work schedules between June 1, 2007, through June 9, 2009. Those in the audience listed above should review the remainder of this technical letter for more detailed information.

Pursuant to the January 26, 2010, Settlement Agreement between CSUEU and CSU, the CSU will compensate affected employees based on the following criteria:

a. For each two (2) week work period within the respective state pay period from June 1, 2007 through June 9, 2009, in which the employee worked a 3/12 schedule, the employee will be paid an additional two hours straight time based upon the rate of pay in effect for that respective pay period, less required deductions and withholdings. (Please note: This two hours of straight time reflects the overtime component of time worked in the work week and is not subject to CalPERS withholding.) This calculation is based on the following:

i. Within a two week work period, the employee worked 36 hours in one week;

ii. Within the same two week work period, the employee worked 44 hours in the other week;

iii. The employee received 80 hours of straight time pay for the two week work period.

Distribution:
CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration
Associate Vice Presidents/Deans of Faculty
HR Professionals
Budget Officers
iv. Compensation for actual time worked over the two week work period should have resulted in 82 hours at the employee’s straight time rate of pay. (36 hours of straight time for one week, 40 hours of straight time for the other week in which 44 hours were worked, with 4 hours paid at time and one-half, totaling 6 hours of straight time pay – 36+46=82)

v. Based upon the calculation noted in a.iv. above, two additional hours of pay at the straight time rate is due for each two week work period that the affected employee was on a 3/12 schedule.

vi. Employees who were either identified by the campus Human Resources Office or self identified have until April 30, 2010 to:
   a. Submit to the campus Human Resources Office, the attached Agreement Form agreeing to the settlement; or
   b. Submit copies of their payroll records to campus Human Resources Office and resolve the dispute if an employee believes an incorrect number of weeks worked on a 3/12 schedule was identified.

   b. The campus Human Resources Office will submit a request for payment to Payroll by May 14, 2010.

The following processing instructions are provided in Attachment A:

⇒ Bonus/Additional Pay Program – 3/12 Work Schedule Settlement Payment

Please direct questions regarding this technical letter as follows:
➢ PIP processing instructions CSU Audits representative at the SCO
➢ CMS Baseline processing instructions CMS liaison for systemwide HRM at (562) 951-4418
➢ Collective bargaining aspects Labor Relations at (562) 951-4400
➢ All other questions Human Resources Management at (562) 951-4411

This document is available on the Human Resources Management’s Web site at:
https://www.calstate.edu/HRAdm/memos.shtml

EN/dm

Attachments
## BONUS/ADDITIONAL PAY PROGRAM – 3/12 Work Schedule Settlement Payment

### PIP PROCESSING INFORMATION:

| Processing Responsibility: | • Active/On Leave Employees: Campus  
• Separated Employees: Campuses must send 674 documents to Holly White in PPSD for keying. |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Processing Date(s):         | • Campus keying: No later than 05/26/10 (last payroll cycle)  
• Pay Period: May 2010  
• Documents to Holly White in PPSD no later than 05/21/10 |
| Earnings ID:                | GX |
| Amount:                     | For each two (2) week work period within the respective state pay period from June 1, 2007, through June 9, 2009, in which an employee worked a 3/12 schedule, the employee will be paid an additional two hours straight time based upon the rate of pay in effect for that respective pay period, less required deductions and withholdings. |
| Subject to Retirement Withholdings: | No |
| Taxable/Reportable:         | Yes |
| Subject to Medicare/Social Security: | Yes |
| Included in Calculation for Overtime: | No |
| Included in Calculation for NDI/DL Payments: | No |
| Additional Information:     | • One lump sum payment is issued for the total amount due for all 2 week periods. |

### CMS PROCESSING INFORMATION:

| Workforce Administration: | N/A |
| Temporary Faculty:        | N/A |
| Benefits:                 | N/A |
| Time and Labor:           | • Earnings ID:  
  o GX – Process via Additional Pay  
  o Effective Date: 5/1/10  
  o Amount: as indicated above |
| Leave Accounting:         | N/A |
| Absence Management:       | N/A |
| Labor Cost Distribution:  | N/A |
| Additional Instructions:  | |
Settlement Agreement

Settlement of Pay Issue for 3/12 Work Schedules Prior to 6/9/09

Date Form Given to Employee: ________________________________

Name: ________________________________

Department: ________________________________

Between June 1, 2007 and June 9, 2009 our records indicate you worked _____ weeks on a 3/12 schedule during the following period: ________________________________.

I agree with the above calculation of the number of weeks I worked a 3/12 work schedule between June 1, 2007 and June 9, 2009.

I disagree with the above calculation. I believe I worked _____ weeks on a 3/12 work schedule between June 1, 2007 and June 9, 2009. Copies of the payroll records showing the weeks worked on a 3/12 work schedule are enclosed.

I understand that as the result of a settlement agreement between California State University Employees Union (CSUEU) and California State University (CSU), I will receive a lump sum settlement for hours not paid as overtime during the above period when I worked a 3/12 work schedule.

My signature below indicates I agree to this settlement as a full and complete resolution of any issues related to my working a 3/12 work schedule.

This form must be signed and submitted to Human Resources by April 30, 2010.

__________________________
Signature                      Date

__________________________
Printed name
January 26, 2010

Ms. Lois Kugelmass
Sr. Labor Relations Representative
1108 “O” Street, Suite 500
Sacramento, CA 95814

Re: Settlement of Pay Issue for 3/12 Work Schedules Prior to 6/9/09

Dear Ms. Kugelmass:

We have discussed the issue of the appropriate compensation for employees who were on a 3/12 work schedule prior to 6/9/09. The Parties were operating under negotiated contract language that allowed employees to work a 3/12 work schedule. The University was paying employees in accordance with its understanding of that schedule. The parties have agreed to revised contract language that became effective 6/9/09.

In order to reach an amicable resolution of the issues raised in grievance number R07-2009-006 and in systemwide discussions and to avoid the expense of litigation, the California State University Employees Union (CSUEU), California State University (CSU), and the Trustees of the California State University (all of whom are collectively referred to in this Agreement as Parties) mutually agree to the following Settlement Agreement (Agreement):

1. This settlement is the compromise of disputed claims and shall not be construed as an admission by any Party to this Agreement of any liability or responsibility at any time for any purpose. CSU and CSUEU each deny any wrongful conduct toward the other, and enter into this Agreement to avoid any inconvenience or litigation. This Agreement shall not serve as a precedent in any other
complaint/grievance on any CSU campus, nor be cited in any other grievance or arbitration.

2. To resolve all claims, grievances and other legal actions that have been raised or could be raised with respect to the issue of this settlement, the CSU will compensate the employees listed in Attachment A based on the following criteria:

a. For each two (2) week work period within the respective state pay period from June 1, 2007 through June 9, 2009 in which the employee worked a 3/12 schedule, the employee will be paid an additional two hours straight time based upon the rate of pay in effect for that respective pay period, less required deductions and withholdings. This calculation is based on the following:

i. Within a two week work period, the employee worked 36 hours in one week;

ii. Within the same two week work period, the employee worked 44 hours in the other week;

iii. The employee received 80 hours of straight time pay for the two week work period.

iv. Compensation for actual time worked over the two week work period should have resulted in 82 hours at the employee’s straight time rate of pay. (36 hours of straight time for one week, 40 hours of straight time for the other week in which 44 hours were worked, with 4 hours paid at time and one-half, totaling 6 hours of straight time pay – 36+46=82)

v. Based upon the calculation noted in 2.a.iv. above, two additional hours of pay at the straight time rate is due for each two week work period that the affected employee was on a 3/12 schedule.

b. Employees listed on Attachment A have been identified as having worked on a 3/12 schedule during the period June 1, 2007 through June 9, 2009.
i. Human Resources will provide each employee with the Agreement Form (Attachment B) by March 2, 2010. Human Resources will fill in the number of weeks the employee worked a 3/12 work schedule and the number of hours of straight time pay to be paid.

ii. Employees on this list will have until April 30, 2010 to:
   1. Submit to the campus Human Resources Office the attached Agreement Form (Attachment B) agreeing to the settlement; or
   2. To submit copies of their payroll records to Human Resources and resolve the dispute if an employee believes an incorrect number of weeks worked on a 3/12 schedule was identified.

   c. Employees not listed on this document who believe they worked a 3/12 schedule and are eligible for this settlement will have until April 30, 2010 to submit copies of their payroll records to Human Resources and resolve the dispute.

3. The Human Resources Office will submit a request for payment by May 14, 2010.

4. In consideration of the foregoing, the CSUEU shall withdraw with prejudice as fully settled and resolved grievance No. R07-2009-006, filed January 14, 2009 at the San Marcos campus and agrees no additional claims, either grievances or other legal actions, will be filed on this issue by the employees listed in Appendix A.

5. The CSUEU hereby fully releases and forever discharges the State of California, the Trustees of the CSU, and each of their officers, agents and employees from
any and all claims, causes of action and liabilities arising out of the specific facts and circumstances as hereby resolved.

6. No supplement, modification, waiver, or amendment with respect to the Agreement shall be binding unless executed in writing by the parties against whom enforcement of such supplement, modification, waiver, or amendment is sought.

By signing below the parties witness their agreement to all the terms and conditions of this Agreement.

For California State University:

Sharyn Aberinatha

Date

For California State University:

Lois Kuglemass

Date