

## ARTICLE 19

### SALARY

- 19.1 Increases in the base pay of bargaining unit employees may occur only in those fiscal years for which the parties have specifically agreed to provide increases by way of one or more of the following three (3) categories:
- a. Across-the-board general salary increases as negotiated by the parties; and/or
  - b. Performance-based salary increases or bonuses, pursuant to provisions 19.6 through 19.8 of this Article, in an amount negotiated between the parties.
  - c. Equity increases or bonuses may be given to employees pursuant to provision 19.15 at the sole discretion of the President.
- 19.2 The salary schedule for bargaining unit employees shall be found in Appendix A and incorporated in this Agreement by reference. An employee shall be assigned a salary within the open salary range appropriate to his/her classification.

#### FY 2006/07 Compensation

- 19.3 a. FY 2006/07 General Salary Increase

For fiscal year 2006/07, the salary of each bargaining unit employee shall be increased by 3.0% effective July 1, 2006; and 3.0% effective January 1, 2007. The minimums and maximums of the salary ranges in Appendix A shall be increased by 3.0% effective July 1, 2006; and 3.0% in January 1, 2007.

#### FY 2007/08 Compensation

- 19.4 a. FY 2007/08 General Salary Increase

For fiscal year 2007/08, the salary of each bargaining unit employee shall be increased by 4.75% effective July 1, 2007; and 4.75% effective February

1, 2008. The minimums and maximums of the salary ranges in Appendix A shall be increased by 4.75% effective July 1, 2007; and 4.75% effective February 1, 2008. These salary increases are contingent upon:

- 1) CSU receiving at least 7% over gross revenues for the prior year (2006/07) in the 2007/08 final State budget for the CSU. Further the final 2007/08 state budget for the CSU should be consistent with the uses of total revenue stated in the 2007/08 Board of Trustees budget request; and
- 2) The state legislature has not redirected CSU funding for other purposes.

#### FY 2008/09 Compensation

##### 19.5 FY 2008/2009 General Salary Increase

There will be no General Salary Increases for FY 2008/2009.

#### Performance-Based Salary Increase

- 19.6
- a. All Unit 1 employees with an annual overall performance evaluation rating above satisfactory or its equivalent will receive a performance-based salary increase (PBSI) for those fiscal years in which a PBSI is provided pursuant to provision 19.1(b). All Unit 1 employees on a given campus with the same overall performance evaluation rating will receive the same percentage PBSI. The difference in PBSIs awarded to employees with different overall performance evaluation ratings on the same campus will not be greater than a ratio of 2.0 to 1, based on the percentage increase awarded.
  - b. Performance-based salary increases (PBSIs) may be given up to the maximum of the salary range as set forth in Appendix A and shall be based upon employees' overall annual performance evaluations for:
    - 1) the quality of medical practice,
    - 2) the quality of contributions to the health center, and/or
    - 3) the quality of educational activities,

as determined by the President. Nothing shall prohibit the President from awarding a PBSI to every eligible meritorious bargaining unit member. Each campus shall adopt procedural guidelines for administration of the PBSI program, which shall include: (1) a statement of criteria for determining meritorious work performance, (2) procedures for receiving input of employees, and (3) identification of documents to be considered in the awarding of PBSIs. A PBSI shall be an increase to an employee's base salary of any percentage not more than five percent (5.0%). The decision to grant or not to grant a PBSI pursuant to this program, and the amount of such increase, if granted, are at the sole discretion of the President. All PBSI decisions shall not be subject to Article 8, Grievance Procedure, except if the specific requirements in 19.6 a. above are alleged to have been violated.

- 19.7 The amount of funds dedicated to employee base salary increases in this program of PBSIs in each fiscal year, not including associated benefits costs, shall be the equivalent of the specified percentage increase to the total Unit 1 payroll as of October 1 of the fiscal year in which a PBSI is provided. In addition to these negotiated amounts, PBSI funds may be provided from campus funds as determined by and at the sole discretion of the President.
- 19.8 The allocation of funds dedicated to this program to each campus in each fiscal year shall be based on the actual salaries paid to bargaining unit positions during the preceding fiscal year. The funds and increases identified for this program of PBSIs shall be effective July of each fiscal year. PBSIs provided solely from campus funds, however, may be effective at any time. There shall be no requirement to expend in a particular fiscal year all funds identified for such increases. Any portion of the funds identified and allocated to a campus which is not expended in any fiscal year for PBSIs on that campus shall be spent in the same fiscal year for professional development activities and shall automatically be added to the PBSI pool for the ensuing fiscal year. The CSU shall provide to the Union no later than February 15 of each year in which PBSIs are negotiated a list by campus of individual employees receiving PBSIs and the amount of each increase. CSU will include in report of PBSI expenditures the amounts spent by campuses on professional development activities in lieu of PBSI expenditures.

### Red Circle Rates

- 19.9 A red circle rate is a salary rate above the maximum of the salary range for a class which may be granted by the President when an employee moves to a class with a lower salary range.
- 19.10 If a red circle rate is granted, the employee shall retain the salary currently being paid (or a lesser salary rate up to twenty-five percent (25%) above the maximum salary of the lower class) and shall remain at that salary rate until the maximum salary of the lower class equals or exceeds the red circle salary rate, or until the authorized time period for maintaining the red circle salary rate expires, whichever comes first.
- 19.11 During the period of time an employee's salary remains above the maximum salary rate for the class on a red circle rate, the employee shall not receive further salary increases (including PBSIs or general salary increases), except in cases of promotion.
- 19.12 Red circle rates shall not exceed twenty-five percent (25%) above the maximum of the salary range of the class to which the employee is moving. An employee may retain a red circle rate for up to five (5) years.
- 19.13 Red circle rates shall not be authorized for an employee when:
- a. an employee, for personal convenience, requests voluntary demotion; or
  - b. an employee is demoted for cause other than for medical reasons.
- 19.14 An employee who was compensated at a salary rate above the maximum prior to a permanent separation will not be entitled to a red circle rate upon his/her return to work. Also the authorization for a red circle rate shall be cancelled if the employee refuses a bona fide offer of appointment to a position at the campus in a class in the same occupational group at a salary level equivalent to the original classes from which the employee was moved.

### Equity Increases

- 19.15 At the sole discretion of the President, base salary increases (not to exceed the salary range maximum) or one-time lump sum bonuses may be awarded at any time to employees when such increases are needed due to internal or

external equity. The decision to award such equity increases or bonuses, and the amount of such equity increases or bonuses, are within the sole discretion of the President and such decisions are not subject to Article 8, Grievance Procedure.