

Addendum to
Agreement Between
The Board of Trustees
of
The California State University
and the
California Federation of the Union of
American Physicians and Dentists

Unit 1 - Physicians

July 1, 2005 - June 30, 2006



**Union of American
Physicians & Dentists**
5777 West Century Boulevard
Los Angeles, CA 90045-7413



The California State University
Office of the Chancellor
401 Golden Shore
Long Beach, CA 90802-4210

CSU The California State University

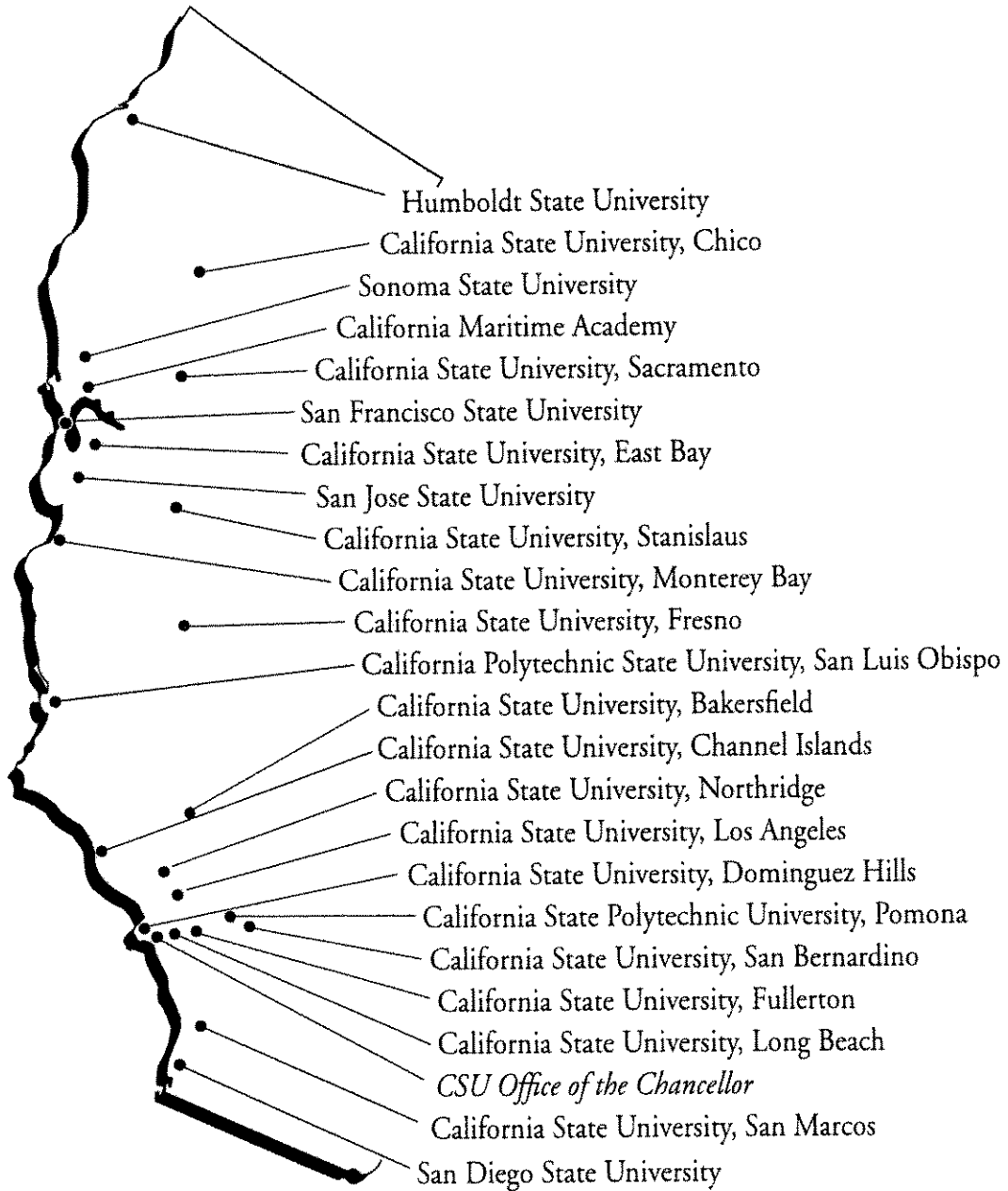


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ARTICLE 19

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 two (2) 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 19.5 through 19.7 of this Article, in an amount negotiated between the parties.

In addition, increases may be given to employees pursuant to provisions 19.6 or 19.14 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

Compensation increases for FY 2006/07, if any, shall be subject to re-opener bargaining in accordance with provision 27.2.

FY 2005/2006 General Salary Increase

- 19.4 For fiscal year 2005/06, the salary of each bargaining unit employee shall be increased by 3.50% effective July 1, 2005, and the Minimums and Maximums of the salary ranges in Appendix A, shall be increased by 3.50% effective July 1, 2005.

Performance-Based Salary Increase

19.5 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 19.3. 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 19.5 a. above are alleged to have been violated.

- 19.6 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 per provision 19.3. 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.
- 19.7 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 in provisions 19.3 and 19.5 above 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 in provisions 19.3 and 19.5 above for such increases. Any portion of the funds identified in provision 19.6 above 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

- 19.8 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.
- 19.9 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.

- 19.10 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.
- 19.11 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.
- 19.12 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.
- 19.13 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

- 19.14 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.

ARTICLE 20

BENEFITS

Health

- 20.1
- a. Eligible employees and eligible family members as defined by CalPERS shall continue to receive health benefits offered through the CalPERS system for the life of this Agreement. Payment for those benefits shall be based on rates established by CalPERS for participating members. The Employer contribution shall be based upon the current formula as provided in Government Code Section 22871.
 - b. Employees who meet all of the following requirements during the January 2005 pay period shall be paid a rural health care stipend during fiscal year 2004/05:
 1. The employee must be eligible and enrolled for CalPERS health insurance benefits and reside in a zip code contained in the list of "California's Proposed Eligible Rural Subsidy Zip Codes by County effective January 1, 2005"; and
 2. The employee must be enrolled in a non-HMO health plan.

The amount of the stipend shall be \$500 for each eligible full-time employee and the amount of the stipend for each eligible part-time employee will be calculated on a pro-rata basis. The pro-rata calculation of the stipend for part-time employees shall be based upon the January 2005 pay period. Payment of the fiscal year 2004/05 stipend shall be made prior to April 1, 2005.

Health Premium Conversion Program (TAPP)

- 20.2 All eligible bargaining unit employees who contribute toward health or dental benefits pursuant to provision 20.1 or 20.3 shall be entitled to participate in the CSU Health Premium Conversion Program. The terms of this program shall be determined by the CSU. All administrative costs for participation shall be paid by the participating employees.

Dental

- 20.3 For the life of this Agreement, the dental benefits provided by CSU through the insurer(s) selected by the CSU for its indemnity and prepaid dental plans shall be offered to eligible employees and eligible family members as defined in provisions 20.5 and 20.6. The Employer's contribution to such plans shall equal one hundred percent (100%) of the basic monthly premium.

Vision Care

- 20.4 For the life of this Agreement, the vision care benefit provided by CSU through the insurer(s) selected by the CSU shall be offered to eligible employees and eligible family members as defined in provisions 20.5 and 20.6. The Employer's contribution to such plan shall equal one hundred percent (100%) of the basic monthly premium.

Eligibility

- 20.5 The term "eligible employees" as used in this Article shall mean an employee or employees who are appointed half-time or more for more than six (6) months. Those excluded from dental benefits, vision care benefits, long-term disability benefits and life and accidental death and dismemberment insurance benefits also include intermittent employees or any employee paid wholly from funds not controlled by the CSU or from revolving or similar funds from which a regular State share payment of the insurance premium cannot be made.
- 20.6 The term "eligible family member" as used in this Article shall mean the eligible employee's legal spouse, domestic partner, and unmarried children from birth to the end of the month in which the dependent children reach age twenty-three (23). The registration of domestic partners and other statutory and CalPERS requirements for health benefits eligibility for domestic partners shall govern eligibility for health, dental, and vision care benefits. An adopted child, stepchild, illegitimate child recognized by the parent, or a child living with the employee in a parent-child relationship who is economically dependent upon the employee is also eligible. A family member who is a disabled child over age twenty-three (23) may also be enrolled if, at the time of initial enrollment of the employee, satisfactory evidence of

such disability is presented to the carrier consistent with the carrier's requirements. Upon attaining age twenty-three (23), a disabled child who is already enrolled may be continued in enrollment if satisfactory evidence of that disability is filed with the carrier in accordance with the carrier's criteria.

Non-Industrial Disability Insurance

20.7 The maximum weekly payment for eligible employees shall be one hundred thirty-five dollars (\$135.00).

Dependent Care Reimbursement Program

20.8 All bargaining unit employees, except intermittent employees shall be entitled to participate in the CSU Dependent Care Reimbursement Program. The terms of this program shall be determined by the CSU. All administrative costs for participation shall be paid by participating employees.

Parking

20.9 An employee is required to pay the parking fee as determined by the CSU for parking at any facility of the CSU. The CSU shall not change its parking fee schedule without first complying with provision 3.2 of the Agreement. The CSU shall provide for payroll deductions for this program upon written authorization by the employee.

20.10 The CSU shall not be liable for any damage, due to theft, vandalism, or acts of nature, to any vehicle or items of personal property contained therein or attached thereto for any reason while within the boundaries of CSU parking facilities.

20.11 The President may determine the allocation of parking spaces at each facility.

403(b) Tax-Sheltered Annuity Program

20.12 All members of the bargaining unit shall be eligible to participate in the 403 (b) tax-sheltered annuity programs in accordance with

regulations and procedures as established by The California State University and according to IRS regulations.

Information Regarding Benefits

20.13 The campus shall provide information concerning an individual employee's rights under NDI, IDL, Temporary Disability, Social Security and/or CalPERS retirement options and the 10/12 or 11/12 pay plan.

FlexCash Plan

20.14 All employees eligible for health insurance, pursuant to provision 20.1 of the Agreement, and dental insurance, pursuant to provision 20.3 of the Agreement, may participate in the CSU FlexCash Plan. A participating employee may waive health and/or dental insurance coverage in exchange for the following monthly payments:

- | | |
|---------------------------|-----------------|
| 1. Waive medical & dental | \$140 per month |
| 2. Waive medical only | \$128 per month |
| 3. Waive dental only | \$ 12 per month |

In order to participate in the Plan, an employee will be required to request participation and certify that he/she has alternate non-CSU coverage in the insurance being waived. The terms of this Plan shall be determined by the CSU. All administrative costs for participation shall be paid by the participating employees.

Part-Time Employees Retirement Plan

20.15 Part-time, seasonal, temporary and intermittent employees who do not otherwise participate in the Public Employees Retirement System will be included in the University of California Defined Contribution Plan, a FICA-Safe Harbor Plan, in accordance with the regulations under section 3121(b)(7)(f) of the Internal Revenue Code. The total cost of the Plan will be paid by participating employees in the form of a seven and one-half percent (7.5%) pretax reduction, in accordance with section 414(h) of the Internal Revenue Code, from a participating employee's covered wages each pay period. There shall be no cost to the CSU.

The UAPD shall receive appropriate advance notice of any change to this Plan. In the case of termination of the Plan or revision of the employees' contribution rate, the UAPD shall receive appropriate advance notice and the parties will meet and confer over the impact of such termination or revision.

Long-Term Disability

20.16 The CSU shall provide eligible employees, as defined in provision 20.5, with long-term disability insurance coverage at no cost to the employees. Effective August 1, 2000, the plan will provide up to a sixty-six and two thirds percent (66 2/3%) benefit after a six-month waiting period.

Golden Handshake

20.17 If, during the life of this Agreement, the Office of the Governor and the Department of Finance advise the CSU of the availability of the early retirement program (so-called "Golden Handshake") for UAPD-represented employees, the University agrees to notify the Union and, upon written request from the Union, to meet and confer regarding said availability.

Life Insurance

20.18 a. Life and AD&D Insurance

The CSU shall provide to eligible employees, as defined in provision 20.5, life and accidental death and dismemberment insurance with a maximum benefit of \$25,000.00, to be provided through the insurer(s) selected by the CSU.

b. Employee-Paid Voluntary Life Insurance

All eligible bargaining unit employees shall be entitled to participate in the CSU Employee-Paid Voluntary Life Insurance Plan. The terms of this plan shall be determined by the CSU.

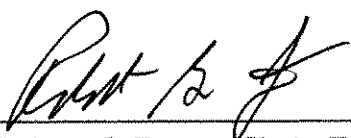
20.19 Health Care Reimbursement Account


All eligible bargaining unit employees shall be entitled to participate in the CSU Health Care Reimbursement Account (HCRA) Plan. The terms of this plan shall be determined by CSU and IRS regulations. All administrative costs for participation shall be paid by participating employees.

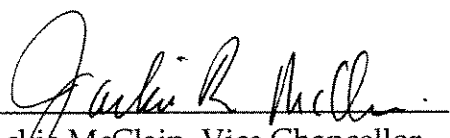
IN WITNESS WHEREOF, the parties hereto, by their authorized representatives, have executed this Memorandum of Understanding on this 22nd day of August 2005:


The California State University

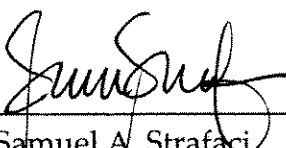
California Federation of the Union of American Physicians and Dentists

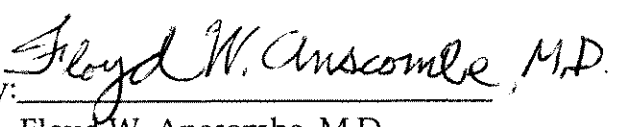
By: 
Robert G. Foster, Chair, Trustees'
Committee on Collective Bargaining


By: 
Robert L. Weinmann, M.D.
President


By: 
Jackie McClain, Vice Chancellor
Human Resources


By: 
Joseph Bader, Regional Administrator
Chief Negotiator

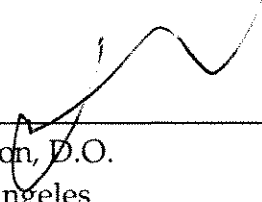
By: 
Samuel A. Strafaci
Assistant Vice Chancellor
Human Resources

By: 
Floyd W. Anscombe, M.D.
Chief Steward

By: 
Paul G. Verellen
Labor Relations Manager
Chief Negotiator

By: 
Peter Ewald, M.D.
Steward

By: 
Tom Angell
CSU, Long Beach

By: 
Jeffrey Tipton, D.O.
CSU, Los Angeles

