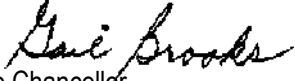


Date: January 16, 2007 **Code:** TECHNICAL LETTER
HR/Salary 2007-01

To: Human Resources Directors
Payroll Managers

From: Gail Brooks 
Associate Vice Chancellor
Human Resources

Subject: 2006/07 Salary Program for CSUEU (Units 2, 5, 7, and 9) Employees

The California State University (CSU) reached agreement with the California State University Employees' Union (CSUEU) for fiscal year 2006/07. The salary program information is provided below:

❖ **Salary Programs:**

- 3.0% General Salary Increase, effective August 2006 pay period
- Market Salary Adjustment pool of .324%, effective August 2006 pay period
- 8.324% increase to the Service Salary Increase Maximum of all classes effective July 1, 2006
- 1.0% Service Salary Increase (SSI)
- One-time \$1,588 SSI Bonus – to be paid by April 16, 2007
- Shift Differential: a per hour differential provided under certain conditions to employees whose regularly assigned work shift does not qualify for a full shift differential.
- Rural Health Care Stipend of \$750

❖ **Other Provisions:**

- Employee Denied SSI Increase:
 - Employees who are denied an SSI shall be provided reasons for the denial prior to the potential effective date of the SSI payment whenever possible.
- Bonus Awards:
 - Prior to issuing bonus awards, the performance criteria must be written and made known to employees.
- In-Range Progressions:
 - Employees may request in-range progressions, but must not submit a request more frequently than 12 months from the prior request.
- Salary Stipends:
 - Salary stipends shall be between 3.0% and 10.0% of the base monthly salary rate.

Distribution:

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration
Vice Presidents, Academic Affairs
Vice Presidents, University Advancement
Vice Presidents, Student Administration

Associate Vice Presidents/Deans of Faculty
Budget Directors
Plant Directors
Police Chiefs
HR Professionals

Detailed Program Information for Salary Provisions:

❖ **3.324% Combined General Salary Increase (GSI) and Market Salary Adjustment:**

- Effective August 2, 2006, the State Controller's Office (SCO) will post a 3.324% increase representing the combined 3% GSI and .324% Market Salary Adjustment to individual salary rates of all bargaining unit members. The SCO will post this increase by mass update on the night of January 17, 2007. All employees who were active on August 2, 2006, will receive a GSI retroactive to August 2, 2006. Employees hired after August 2, 2006, and before the GSI is processed will receive the GSI retroactive to their hire date.
- The SCO mass update program will process GSIs for active employees whose appointment expiration date has passed. Campus processing instructions to void invalid GEN transactions posted on expired appointments are provided in the SCO's Personnel Letter. To assist campuses in identifying these employees, **CIRS Compendium Report H50, Cycle 0701**, will be available on January 22, 2007.
- The salary range minimums and maximums for all classifications will be increased by 3.324% effective August 2, 2006.

The following processing instructions are provided in Attachment A:

⇒ Salary Increase Program I - GSI/Market Salary Adjustment

❖ **8.324% Increase to the SSI Maximum:**

- Effective July 1, 2006, the SSI maximum for each classification will be increased by 8.324% reflecting the 3.0% GSI, the 5.0% increase to the SSI maximum and the .324% Market Salary Adjustment.
- Information on establishing anniversary dates for those newly eligible is provided below under "Establishing Anniversary Dates."

❖ **1.0% Service Salary Increase (SSI):**

- For fiscal year 2006/2007, an SSI will be provided to eligible employees effective on the first day of the pay period of the employee's anniversary date. The SCO will post the SSIs using worksheets provided by HR-Information Support and Analysis (HR-ISA). Refer to the collective bargaining agreement (CBA) for eligibility rules. Refer to processing instructions noted below for retroactive SSI processing dates.

Campuses are responsible for processing SSIs for intermittent employees as well as SSI denials, in the event the employee does meet the performance criteria. The following processing instructions are provided in Attachment A:

⇒ Salary Increase Program II – Service Salary Increase (SSI)

❖ **Establishing Anniversary Dates:**

- Pursuant to Article 20.26(h) of the CBA, employees active in CSUEU since July 1, 2006, whose salaries fall below the new SSI maximum rates and who do not have an Anniversary Date, must establish an Anniversary Date as follows:
 - For those who had an anniversary date established when the SSI program was reinstated in 2004 but who reached the SSI maximum prior to July 1, 2006, the Anniversary Date will be the month of the most recent anniversary date in which they reached the SSI maximum combined with the current 2006/2007 fiscal year. Example:
 - **EMPLOYEE A – Employee reached the SSI maximum in June 2004:** Campuses must set the Anniversary Date to June 2007.
 - Employees who did not have an anniversary date established in 2004 and who had an anniversary date from the SSI program ending June 2000, must use the month from this anniversary date combined with the current 2006/2007 fiscal year. Example:
 - **EMPLOYEE B – Employee had an anniversary date of April 2000:** Campuses must set the Anniversary Date to April 2007.
 - Employees who did not have anniversary dates established in 2004 and who had no anniversary date when the SSI program ended in June 2000, must use the month of the employees' initial appointment into any CSU classification at the campus combined with the current 2006/2007 fiscal year. Example:
 - **EMPLOYEE C – Employee was appointed above the SSI maximum in January 2005:** Campuses must set the Anniversary Date to January 2007.

• **ADDITIONAL INFORMATION**

For campus reference, **CIRS Compendium Report X94, Cycle 0701**, provides a listing of all active and on-leave CSUEU employees who are below the new SSI maximum. This report will be available on January 22, 2007

The following processing instructions are provided in Attachment A:

⇒ Salary Structure Change I – Establish Anniversary Dates

❖ **One-Time \$1,588 SSI Bonus:**

- To be eligible for the \$1,588 SSI Bonus, the employee must meet the following criteria:
 - As of July 1, 2006, is active or on leave in a CSUEU position and have a base salary rate at or above the new SSI maximum.
 - During the preceding fiscal year, meets the same SSI eligibility requirements (e.g., satisfactory performance, qualifying pay periods) as those employees whose base salary rate is below the SSI maximum. Because of this requirement, campuses are responsible for identifying the employees and processing the bonus.
 - Is active or on leave with pay in a CSUEU position at the campus at the time the payment is generated. Employees may receive only one bonus regardless of the number of concurrent positions they hold.
 - If an employee has reached the SSI maximum without receiving the full fiscal year 2006/2007 1.0% SSI, then the employee will also receive the total \$1,588 SSI bonus.

No other employees shall qualify for receiving both a bonus and the SSI increase. PPSD will process the bonus for these employees.

Campuses should process SSI bonus payments no later than April 10, 2007, for them to be available to eligible employees by April 16, 2007. The following processing instruction is provided in Attachment A:

⇒ Bonus/Additional Pay Programs I – One-time \$1,588 SSI Bonus

❖ **Shift Differential: An eligible employee who is regularly assigned to work a shift that includes hours between 6 p.m. and 6 a.m. but is not assigned enough hours to qualify for a full shift differential shall receive:**

- A shift differential of \$1.25 per hour for all hours worked between 6 p.m. and midnight.
- A shift differential of \$2.20 per hour for all hours worked between midnight and 6 a.m.

Campuses are responsible for calculating and processing these shift differentials. Refer to the Shift Differential program information and processing instructions available on the Human Resources Web site at:

http://www.calstate.edu/HRAdm/SalaryProgram/CSEA/procinst_shiftdiff.shtml

❖ **Rural Health Care Stipend:**

- To be eligible for the \$750 Rural Health Care Stipend, the employee must meet the following criteria during the January 2007 pay period:
 - Must be enrolled in a CalPERS sponsored non-HMO health plan.
 - Must reside in a zip code determined by CalPERS to be a rural area in which there are no CalPERS board approved Health Maintenance Organizations. The relevant zip codes are provided in Attachment B “California’s Proposed Eligible Rural Subsidy Zip Codes by County” effective January 1, 2007.
 - Must be in active or on-leave status.
- Employees enrolled in FlexCash are not eligible.
- The stipend is not prorated by timebase for CSUEU employees. Eligible part-time employees receive the full \$750 stipend, regardless of timebase.
- Employees with Indeterminate or Intermittent appointments are not eligible for the Rural Health Care Stipend since they are not eligible for health care benefits.
- HR-ISA will generate payroll transactions for eligible employees based on the criteria outlined above. Payments will be generated by the SCO the week of February 5, 2007.
- To identify those CSUEU employees eligible for the stipend, **CIRS Compendium Report A33, Cycle 0702**, will be available the week of February 5, 2007.
- Campuses are responsible for verifying that the employee is entitled to the stipend payment by verifying the following criteria:
 - Health benefit enrollment during the January 2007 pay period.
 - Residence in a qualifying zip code during the January 2007 pay period.
 - Active or on-leave status during the January 2007 pay period.
- If the campus deems the employee ineligible, the campus must return the check to the SCO or reverse the direct deposit, as appropriate. In the event a campus deems an employee

eligible and no payment was generated by the SCO, the campus must process the payment manually. Stipend payments must be made prior to April 1, 2007.

The following processing instructions are provided in Attachment A:

⇒ Bonus/Additional Pay Programs II– Rural Health Care Stipend

Questions regarding this technical letter may be directed to Human Resources Administration at (562) 951-4411. This document is available on Human Resources Administration's Web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

GB/aj
Attachments

PROCESSING INSTRUCTIONS

**SALARY INCREASE PROGRAM
 I - GSI/Market Salary Adjustment**

PAY SCALES IMPACT:	
Change Summary:	Increase the minimums and maximums of the range by 3.324%.
Class Code(s):	All CSUEU classifications
CBID:	R02, R05, R07 and R09
Pay Scales Effective Date:	08/02/06
Date in Production:	01/18/07
Pay Letter:	2007-02

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	SCO mass update
Processing Date(s):	Beginning the evening of 01/17/07
Effective Date:	08/02/06
PIMS Transaction:	GEN
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR/SA 2007-01
Pay Amount:	3.324%
Pay Form:	Base salary increase
Lump Sum Earnings ID:	N/A
Employees on Leave:	<ul style="list-style-type: none"> • Increases are effective 08/02/06 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957= 40) on 08/02/06. • Increases for other employees on leave (non-pay status) are to be keyed by the campus via GEN transaction, effective the date the employee returns to pay status.
Additional Information:	<ul style="list-style-type: none"> • All employees who are active as of 08/02/06 will receive the GSI. • The mass update program will include those employees whose appointment expiration date is prior to 08/02/06 who have not been separated. CIRS Compendium Report H50, Cycle 0701 available on 01/22/07 can assist campuses with identifying these employees. • Employees appointed on or after August 2, 2006, but before the mass update is run, will also have the GSI applied to their salary by processing a correct to the appointment and any subsequent transactions.
SCO Personnel Letter:	http://www.sco.ca.gov/ppsd/scoltrs/

COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:	
Pay Scales Impact:	Salary Schedule Load provided by HR-ISA to SOSS on 01/12/07.
GSI/SSI Load Impact:	Yes
Action/Reason:	Must map to PIMS GEN Transaction.

**SALARY INCREASE PROGRAM
 II – Service Salary Increase (SSI)**

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

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	<ul style="list-style-type: none"> • SCO will key the retro SSIs for July 2006 through February 2007 into PIMS for employees with a timebase and who had an established anniversary date as of 01/22/2007. • SCO will key the SSIs into PIMS on a regular basis beginning in March 2007 for employees with a timebase. • Campuses are responsible for keying SSIs where new Anniversary Dates have not been established by 02/28/07. • Campuses are responsible for keying SSIs for all eligible employees whose anniversary date has been reestablished (subsequent to 01/22/07) and the anniversary date is earlier than March 2007. • Campuses are responsible for keying SSIs for intermittent employees. • Campuses are responsible for posting SSI denials.
Processing Date(s):	July Anni Dates: beginning 01/22/07 August –February Anni Dates: ending 02/28/07 Monthly thereafter
Effective Date:	On employee's Anniversary Date
PIMS Transaction:	MSA
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	N/A
Pay Amount:	1.0%
Pay Form:	Base salary increase
Lump Sum Earnings ID:	N/A
Employees on Leave:	
Additional Information:	SSI denials must be keyed via the 330 transaction prior to the first day of the pay period of the employee's Anniversary Date to preclude posting of the MSA transaction. SSI denials for the July through February Anniversary Dates must be posted prior to the processing dates noted above.
SCO Personnel Letter:	http://www.sco.ca.gov/ppsd/scoltrs/

COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:	
Pay Scales Impact:	N/A
GSI/SSI Load Impact:	Yes
Action/Reason:	Must map to PIMS MSA Transaction

BONUS/ADDITIONAL PAY PROGRAMS

I – One-Time \$1,588 SSI Bonus

PIP PROCESSING INFORMATION:	
Processing Responsibility:	<ul style="list-style-type: none"> • Campus for employees above the SSI maximum • PPSD for employees who reached the SSI maximum without receiving the full 1.0% SSI
Processing Date(s):	Must be paid by 04/16/07
Earnings ID:	GV
Amount:	\$1,588
Subject to Retirement Withholdings:	No
Taxable/Reportable:	Yes
Subject to Medicare/Social Security:	Yes
Included in Calculation for Overtime:	Yes, for the pay period in which the bonus was paid only.
Included in the Calculation for NDI/IDL Payments:	No
Additional Information:	N/A

II – Rural Health Care Stipend

PIP PROCESSING INFORMATION:	
Processing Responsibility:	<ul style="list-style-type: none"> • HR-ISA will generate a payment transaction file for the SCO to process. • The campus is responsible for keying stipends for employees whom the campus deems eligible and were not paid by the SCO.
Processing Date(s):	<ul style="list-style-type: none"> • Payments will be generated the week of 02/05/07. • The CIRS Compendium Report A33 will be available the week of 02/05/07.
Earnings ID:	GE
Amount:	\$750
Subject to Retirement Withholdings:	No
Taxable/Reportable:	Yes
Subject to Medicare/Social Security:	Yes
Included in Calculation for Overtime:	Yes, for the pay period in which the stipend was paid only.
Included in the Calculation for NDI/IDL Payments:	No
Additional Information:	N/A

PROCESSING INSTRUCTIONS

SALARY STRUCTURE CHANGES I – Establish Anniversary Dates

PAY SCALES IMPACT:	
Change Summary:	Increase SSI maximums by 8.324% to include 3.0% GSI, 5.0% SSI maximum increase, and market salary adjustment of .324%.
Class Code(s):	All CSUEU classifications except Per Diem classes (codes 7940, 7930)
CBID:	R02, R05, R07, R09
Pay Scales Effective Date:	7/1/2006
Date in Production:	01/18/07
Pay Letter:	2007-02

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	<ul style="list-style-type: none"> Campuses will establish Anniversary Dates (Item 330) for employees whose base pay is below the <u>new</u> SSI Maximum as of 07/01/06 and who do not have an Anniversary Date.
Processing Date(s):	Campus determined
Effective Date:	7/1/06 or appointment, reinstatement if later
PIMS Transaction:	CRO
Detailed Transaction Code (Item 719)	N/A
EH Remarks (Item 215)	HR/Salary 2007-01
Pay Amount:	N/A
Pay Form:	N/A
Lump Sum Earnings ID:	N/A
Employees on Leave:	<ul style="list-style-type: none"> Employees on an unpaid leave of absence as of 07/01/06, should have their Anniversary Date entered upon return from leave. Employees on an IDL/TD leave of absence as of July 1, 2006, should have their Anniversary Date entered upon return from leave.
Additional Information:	<ul style="list-style-type: none"> For those who had an anniversary date established when the SSI program was reinstated in 2004 but who reached the SSI maximum prior to 07/01/06, the Anniversary Date will be the month of the most recent anniversary date in which they reached the SSI maximum combined with the current 2006/2007 fiscal year. Employees who did not have an anniversary date established in 2004 and who had an anniversary date from the SSI program ending June 2000, must use the month from this anniversary date combined with the current 2006/07 fiscal year. Employees who did not have an anniversary date established in 2004 and who had no anniversary date when the program ended in June 2000, must use the month of the employee's initial appointment into any CSU classification. Employees who have separated after 07/01/06 and are due an SSI prior to separation, must have a correct Anniversary Date on their employment record prior to posting a separation transaction. Separation transactions that have

	<p>already been processed must be corrected to reflect the employees accurate Anniversary Date.</p> <ul style="list-style-type: none"> • Refer to Article 20 of the collective bargaining agreement.
SCO Personnel Letter:	N/A

COMMON MANAGEMENT SYSTEMS (CMS) INSTRUCTIONS:	
Pay Scales Impact:	Salary Schedule Load provided by HR-ISA to SOSS by 01/12/07
GSI/SSI Load Impact:	N/A
CMS Action/Reason:	Must map to CRO transaction

CALIFORNIA'S PROPOSED ELIGIBLE RURAL SUBSIDY ZIP CODES

BY COUNTY

EFFECTIVE JANUARY 1, 2007

(As of June 1, 2006)

COUNTY	ZIP	COUNTY	ZIP	COUNTY	ZIP	COUNTY	ZIP
MONTEREY	93921	SAN BENITO	95023	SHASTA	96096	TEHAMA	96063
MONTEREY	93922	SAN BENITO	95024	SHASTA	96099	TEHAMA	96074
MONTEREY	93923	SAN BENITO	95043	SISKIYOU	95568	TEHAMA	96075
MONTEREY	93924	SAN BENITO	95045	SISKIYOU	96014	TEHAMA	96078
MONTEREY	93925	SAN BENITO	95075	SISKIYOU	96023	TEHAMA	96080
MONTEREY	93926	SAN BERNARDINO	92242	SISKIYOU	96025	TEHAMA	96090
MONTEREY	93927	SAN BERNARDINO	92267	SISKIYOU	96027	TEHAMA	96092
MONTEREY	93928	SAN BERNARDINO	92280	SISKIYOU	96031	TRINITY	95527
MONTEREY	93930	SAN BERNARDINO	92363	SISKIYOU	96032	TRINITY	95552
MONTEREY	93932	SHASTA	96001	SISKIYOU	96034	TRINITY	95563
MONTEREY	93933	SHASTA	96002	SISKIYOU	96037	TRINITY	95595
MONTEREY	93940	SHASTA	96003	SISKIYOU	96038	TRINITY	96010
MONTEREY	93942	SHASTA	96007	SISKIYOU	96039	TRINITY	96024
MONTEREY	93943	SHASTA	96008	SISKIYOU	96044	TRINITY	96041
MONTEREY	93944	SHASTA	96011	SISKIYOU	96050	TRINITY	96046
MONTEREY	93950	SHASTA	96013	SISKIYOU	96057	TRINITY	96048
MONTEREY	93953	SHASTA	96016	SISKIYOU	96058	TRINITY	96052
MONTEREY	93954	SHASTA	96017	SISKIYOU	96064	TRINITY	96091
MONTEREY	93955	SHASTA	96019	SISKIYOU	96067	TRINITY	96093
MONTEREY	93960	SHASTA	96022	SISKIYOU	96085	TUOLUMNE	95305
MONTEREY	93962	SHASTA	96028	SISKIYOU	96086	TUOLUMNE	95309
MONTEREY	95004	SHASTA	96033	SISKIYOU	96094	TUOLUMNE	95310
MONTEREY	95012	SHASTA	96040	SISKIYOU	96097	TUOLUMNE	95311
MONTEREY	95039	SHASTA	96047	SISKIYOU	96134	TUOLUMNE	95314
MONTEREY	95076	SHASTA	96049	SUTTER	95948	TUOLUMNE	95321
NEVADA	95724	SHASTA	96051	SUTTER	95953	TUOLUMNE	95327
NEVADA	95728	SHASTA	96062	SUTTER	95957	TUOLUMNE	95329
NEVADA	95602	SHASTA	96065	SUTTER	95982	TUOLUMNE	95230
NEVADA	96111	SHASTA	96069	SUTTER	95991	TUOLUMNE	95335
NEVADA	96160	SHASTA	96070	SUTTER	95992	TUOLUMNE	95346
NEVADA	96161	SHASTA	96071	SUTTER	95993	TUOLUMNE	95347
NEVADA	96162	SHASTA	96073	TEHAMA	95963	TUOLUMNE	95364
PLACER	96140	SHASTA	96076	TEHAMA	95973	TUOLUMNE	95370
PLACER	96141	SHASTA	96079	TEHAMA	96021	TUOLUMNE	95372
PLACER	96143	SHASTA	96084	TEHAMA	96029	TUOLUMNE	95373
PLACER	96145	SHASTA	96087	TEHAMA	96035	TUOLUMNE	95375
PLACER	96146	SHASTA	96088	TEHAMA	96055	TUOLUMNE	95379
PLACER	96148	SHASTA	96089	TEHAMA	96059	TUOLUMNE	95383
SAN BENITO	93210	SHASTA	96095	TEHAMA	96061	YUBA	95901

CALIFORNIA'S PROPOSED ELIGIBLE RURAL SUBSIDY ZIP CODES

BY COUNTY

EFFECTIVE JANUARY 1, 2007
(As of June 1, 2006)

COUNTY	ZIP
YUBA	95914
YUBA	95918
YUBA	95919
YUBA	95922
YUBA	95925
YUBA	95935
YUBA	95941
YUBA	95960
YUBA	95962
YUBA	95966
YUBA	95972
YUBA	95977
YUBA	95981