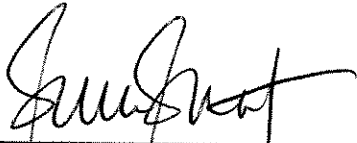


**Settlement Agreement
Summer Term Employment**

The California Faculty Association and the California State University agree that the attached tentative agreement for Article 21, Summer Term Employment, shall become effective immediately upon the signing of this Settlement Agreement.

California State University



Samuel A. Strafacci
Assistant Vice Chancellor
Human Resources

California Faculty Association



John Travis
President

Date: _____

4/13/06

Date: _____

4/13/06

ARTICLE 21

SUMMER TERM EMPLOYMENT

Application of CSU/CFA Agreement

- 21.1 The following terms and provisions of this Agreement shall apply to employees who become faculty unit employees solely by appointment to summer term employment:
- a. Article 1, Recognition
 - b. Article 2, Definition
 - c. Article 3, Effect of Agreement
 - d. Article 4, Savings Clause
 - e. Article 5, Management's Rights
 - f. Article 7, CFA Security
 - g. Article 8, Faculty Participation
 - h. Article 9, Concerted Activities
 - i. Article 10, Grievance Procedure
 - j. Article 11, Personnel Files
 - k. Article 16, Non-Discrimination
 - l. Article 17, Temporary Suspension
 - m. Article 18, Reprimands
 - n. Article 19, Disciplinary Action Procedure
 - o. Article 21, Summer Term Employment
 - p. Article 33, Holidays
 - q. Article 35, Outside Employment
 - r. Article 36, Additional Employment
 - s. Article 37, Safety
 - t. Article 39, Intellectual Property Rights
 - u. Article 42, Duration & Implementation
- 21.2 Accepting a summer term appointment shall not diminish a faculty unit employee's rights under the Agreement resulting from bargaining unit employment during the regular academic year.
- 21.3 The requirement under this Article to provide 1/30th compensation to employees who teach summer term applies only to faculty who were employed in a state-supported unit 3 appointment in either the immediately

preceding fall or spring semester of the academic year at semester campuses. The requirement under this Article to provide 1/45th compensation to employees who teach summer term applies only to faculty who were employed in a state-supported unit 3 appointment in either the immediately preceding fall, winter or spring quarter of the academic year at quarter campuses.

- 21.4 Faculty who were not employed in a unit 3 appointment in any of the terms immediately preceding the summer term work may be appointed at any salary on the salary schedule for summer term work.
- 21.5 This Article 21, Summer Term Employment, supercedes all practices and agreements at any campus in effect prior to summer 2006 on matters that are covered in this article except as modified herein.
- 21.6 The campus summer agreement at Cal Poly SLO shall remain in effect for summer 2006 and shall continue to be a subject of bargaining for a successor contract beginning in summer term 2007.
- 21.7 The provisions of this Article 21, Summer Term Employment, shall control for summer term employment. In the event of a conflict between the terms of either the Agreement or any arbitration decisions, the provisions of this Article control.

Types of Summer Term Employment

- 21.8 Summer term employment may exist both at quarter and semester campuses, and may take the form of either state-funded year-round operations (including fee-buy-down) or self-support for-credit programs offered through extension. Summer term employment may take the form of either work for extra pay upon mutual agreement of the faculty unit employee and the President, or work that is part of the regular academic year of a faculty unit employee at a QSYRO campus.

Appointment to Summer Term as Extra Pay

- 21.9 Appointment of a faculty unit employee to summer term employment shall be made by the President. The faculty unit employee shall maintain the academic or librarian rank prevailing during the immediate past academic year. Acceptance of an appointment and course assignment includes an

agreement by the employee to meet the class on the first day regardless of enrollment, for classes not cancelled prior to that time.

- 21.10 Summer term employment is a conditional temporary appointment for a specific period of time.
- 21.11 A class may be cancelled by the President. Such appointments may be cancelled at any time by layoff pursuant to Article 38 or cancelled at any time due to low enrollment or budgetary reasons. If an appointment is cancelled due to low enrollment or budgetary reasons, the faculty unit employee shall be paid on a pro-rata basis for each class taught prior to cancellation.
- 21.12 The official notification to a faculty unit employee of a summer term appointment shall include the beginning and ending dates of appointment, time base, salary, the requirement to meet the first class, and other conditions of appointment. The faculty unit employee's appointment may provide for participation in the student evaluation process.
- 21.13 The responsibilities of a faculty unit employee appointed to summer term employment may include teaching, office hours, and other responsibilities as assigned.

Summer Term in Self-Support For-Credit Programs at All CSU Campuses

- 21.14 Classification code 2357 - Instructional Faculty – Summer Session - Extension shall be used solely for self-support for-credit programs offered through Extended Education.¹
- 21.15 This agreement shall not preclude any CSU campus from either continuing its self-support for-credit summer session programs that are offered through Extended Education, and/or employing faculty in classification 2357 for self-supported, for-credit programs.

¹ Classification code 2322 - Instructional Faculty, Special Programs For Credit, shall be used solely for employment in self-support for-credit programs offered through Extended Education pursuant to Executive Order 802. Classification code 2323 - Instructional Faculty, Extension – For Credit shall be used solely for employment in self-support for-credit programs offered during the regular academic year.

Enrollment Based Compensation

- 21.16 The salary of a faculty unit employee appointed for summer term shall be pursuant to the rates for summer term work classifications provided in Appendix C². If the course to which a faculty unit employee has been assigned has enrollment of less than fifteen (15) students, as determined by the final census date, the faculty unit employee's full salary shall be reduced by five percent (5%) for each student below fifteen (15) students. In no case, however, may the reduced rate fall below eighty-five percent (85%) of the full salary. The President may offer rates higher than the reduced compensation rates for low enrollment. Reduced enrollment compensation is only applicable to summer term for extra pay.
- 21.17 If the course to which a faculty unit employee has been assigned has enrollment of fewer than fifteen (15) students, at the second class meeting, he/she may withdraw from the appointment at that time, or the class may be cancelled by the President.
- 21.18 The faculty unit employee shall receive compensation pro-rata only through the second class meeting for a class from which he/she withdraws, or for a class cancelled by the President, pursuant to provision 21.17 above.

Compensation for Summer Term as Extra Pay at Quarter Campuses

- 21.19 At CSU quarter system year-round-operation campuses, the compensation of faculty eligible for summer term employment shall continue to be pursuant to classification 2368, Instructional Faculty - Extra Quarter Assignment.
- 21.20 Salary rates for Faculty teaching regular credit courses at all non-year-round CSU quarter campuses (San Bernardino and Bakersfield) shall be at "the 1/45th rate" for each WTU of direct and indirect workload that has been assigned by the administration and completed by the faculty member pursuant to the following formula:

$$(FT AY Salary Rate) \times (\# Summer WTUs) = 1/45^{th} \text{ rate } \$Amount$$

² Salary rates for classification codes 2357 and 23XX shall be identical.

- a. Eligibility: Only those tenure-track and temporary faculty who taught at least one term in the immediately preceding academic year prior to the work performed in the summer term are eligible.
- b. The “FT AY Salary Rate” referenced in the above formula is calculated as 1/45th of the faculty member’s full-time academic year salary. This rate is determined based on the Faculty member’s salary rate in the preceding spring term before summer employment. If the Faculty member was not employed in the preceding spring term, the 1/45th rate shall be calculated upon the most recent academic term in the same academic year prior to the summer term.
- c. The “Number of Summer WTUs (Weighted Teaching Units)” for class assignments in the formula shall be calculated and assigned in the same manner as those calculated and assigned for the preceding spring term (or most recent term prior to spring term when the Faculty member was not employed in the Spring). The determination of WTUs for new courses offered for the first time during a summer term shall be accomplished in accordance with established campus policies and procedures.

Summer Term as Extra Pay at Semester Campuses with State-funded Summer Sessions, Including Fee Buy-Down Semester Campuses

21.21 Classification Class code XX – Instructional Faculty, Summer Session – State Support, will be established and used at all semester campuses³ for for-credit programs that are supported with state funds, including state funding to subsidize the reduction of student fees.

21.22 Salary in Summer Term at Semester Campuses

- a. Salary rates for summer term courses offered through the regular, general fund course schedule, including fee-subsidized for-credit courses, shall be at “the 1/30th rate” at all semester campuses.
- b. “The 1/30th rate” as used in this MOU shall be calculated according to the following formula:

³ This new classification code shall also be used for state-funded extra pay summer term work at the Bakersfield and San Bernardino campuses.

$$(FT\ AY\ Salary\ Rate) \times (\# \ YRO\ Summer\ WTUs) = 1/30^{th}\ rate\ \$Amount$$

- c. Eligibility: Only those tenure-track and temporary faculty who taught at least one term in the immediately preceding academic year prior to the work performed in the YRO summer term are eligible.
- d. The "FT AY Salary Rate" referenced in the above formula is calculated as 1/30th of the faculty member's full-time academic year salary. This rate is determined based on the Faculty member's salary rate in the preceding spring term before YRO Summer employment. If the Faculty member was not employed in the preceding spring term, the 1/30th rate shall be calculated upon the most recent academic term in the same academic year prior to the YRO summer term.
- e. The "Number of YRO Summer WTUs (Weighted Teaching Units)" for class assignments in the formula shall be calculated and assigned in the same manner as those calculated and assigned for the preceding spring term (or most recent term prior to spring term when the Faculty member was not employed in the spring). The determination of WTUs for new courses offered for the first time during a summer term shall be accomplished in accordance with established campus policies and procedures.

21.23 Indirect Instruction Compensation

- a. All probationary and tenured faculty at all semester campuses that do not receive a specific indirect instructional assignment with compensation in the summer term shall receive an indirect instructional payment in the amount of one hundred and fifty dollars (\$150) per each unit of direct instructional work assigned.
- b. All probationary and tenured faculty at all semester campuses that receive a specific indirect instructional assignment with compensation in the summer term shall not receive the one hundred and fifty dollar (\$150) payment.
- c. Lecturers at all campuses that receive a specific indirect instructional assignment with compensation in the summer term shall be compensated if that assignment is completed. Lecturers at all campuses

that do not receive a specific indirect instructional assignment with compensation in the summer term shall not receive any compensation for indirect instructional work.

21.24 Contractual Provisions Applying at Semester Campuses

- a. Sick leave may be accrued by part-time faculty during summer term YRO employment up to the equivalent of a full-time position and may be used by all faculty during their summer term YRO employment or any subsequent period of employment as specified in the collective bargaining agreement.
- b. The terms of the Leaves of Absence with Pay article (Article 23) are applicable to all faculty during their summer term YRO employment as specified in the collective bargaining agreement.
- c. WTUs taught by lecturers during the summer term YRO shall be credited toward SSI eligibility.
- d. Summer term YRO service shall be credited for the determination of subsequent CSU appointments for lecturers pursuant to provisions 12.3 and 12.12 (one year or three year appointment rights) and the WTUs worked during summer term YRO service shall be credited in the calculation of the appropriate time base for subsequent appointments.
- e. The foregoing requirements shall be implemented for teaching summer term YRO courses offered through the regular, general fund course schedule, including fee-subsidized for-credit courses, at semester campuses.
- f. The terms of this article shall not supersede any provision of the law related to the health or retirement benefits provided by the California Public Employment Retirement System (CalPERS). Pursuant to Article 32 of the current Collective Bargaining Agreement between the parties, eligibility for CalPERS benefits are defined and determined by CalPERS.

21.25 The application of appointment and benefits provided in provision 21.24 to quarter campuses beginning in 2007 shall continue to be a subject of bargaining for a successor contract.

21.26 Staffing in Summer Term

The following provisions shall be added to the decision by Arbitrator Angelo, dated April 26, 2004, Order of Assignment as Category IV: "When making class assignments to Faculty During Summer Term as Extra Pay at All Campuses with State-funded Summer Sessions Including Fee Buy-Down Campuses."

Departments shall assign work in the following order to qualified faculty:

- a. Campuses need not offer work first to all probationary and tenured faculty, but must offer work first to enough probationary and tenured faculty to satisfy the percentages identified herein for each campus. Of all faculty appointed in the summer term, the percentage by headcount who are probationary and tenured faculty at each campus who are offered an appointment must be no less than the following:
 - 1) Bakersfield - 51%
 - 2) Channel Islands - 24%
 - 3) Chico - 55%
 - 4) Dominguez Hills - 42%
 - 5) East Bay - 20%
 - 6) Fresno 46%
 - 7) Fullerton - 35%
 - 8) Humboldt - 55%
 - 9) Long Beach - 46%
 - 10) Los Angeles - 30%
 - 11) Maritime Academy - 57%
 - 12) Monterey Bay - 33%
 - 13) Northridge - 41%
 - 14) Pomona - 53%
 - 15) Sacramento - 54%
 - 16) San Bernardino - 45%
 - 17) San Diego - 46%
 - 18) San Francisco - 48%
 - 19) San Jose - 42%

- 20) San Luis Obispo – 60%⁴
- 21) San Marcos - 49%
- 22) Sonoma - 53%
- 23) Stanislaus - 50%

Teaching in the summer term for extra pay is voluntary and meeting the required minimum percentage of probationary and tenured faculty provided above is dependent upon a sufficient number of probationary and tenured faculty accepting the voluntary summer work assignments.

- b. After meeting the minimum percentage for probationary and tenured faculty above, or after exhausting the offer process for such faculty, campuses may utilize/hire qualified volunteers, administrators, Teaching Associates (TAs), or other students⁵ to teach classes.
- c. Next, campuses must offer teaching assignments to qualified lecturers with 3 year appointment rights or 1 year appointment rights if their time base entitlement pursuant to Article 12 was not fully satisfied during the immediately preceding academic year. Assignments offered shall be up to the maximum time base entitlement pursuant to Article 12.6.
- d. Next, campuses must offer teaching assignments to qualified lecturers who taught in the immediately preceding academic year who are not included in paragraph c above.
- e. Finally, campuses may offer teaching assignments to any other candidates.
- f. The procedural requirements of provision 12.7 of the Agreement shall not apply to staffing during the summer term at any CSU campus.

⁴ Contingent upon written agreement by the local campus president and local CFA chapter president that this number is acceptable. In the event of disagreement, the local campus agreement dated XXXX will apply.

⁵ The CFA disputes the placement of certain employees classified as Teaching Associates or other student-employee classifications in the Order of Work Assignment decision by Arbitrator Angelo dated April 26, 2004 and the CSU disagrees with the CFA on this issue. However, the parties agree that any arbitration decision(s) on the issue of the placement of Teaching Associates shall not be effective for the summer 2006 term.

- g. The Parties agree that should CFA prevail in CSU Grievance No. 3-05-027 the priority order of work assignments provided in the award by Arbitrator Angelo, dated April 26, 2004, shall not be applicable to the assignment of work during the summer 2006 term at any CSU campus.

General Provisions

- 21.27 The terms of this Article 21, Summer Term Employment, shall immediately be in effect for the summer 2006 terms at all CSU campuses, and shall only become effective for subsequent summer terms as an article of the successor collective bargaining agreement between the parties.
- 21.28 The provisions of this Article 21, Summer Term Employment, shall control regarding summer term 2006 over the disposition of any grievances or other claims or causes of action related to summer term employment which were filed prior to the effective date of this article. This provision covers, but is not limited to, the assignment of work, salary paid and benefits provided to faculty unit employees at any CSU campus during the summer 2006 term or subsequent summer terms covered by this article.

Teaching Associates

- 21.29 No later than November 1 of each year the CSU shall provide to the CFA the number of Teaching Associates, Instructional Student Assistants, and Graduate Assistants employed by each campus during the immediately preceding summer term(s). This report shall also provide the number of Teaching Associates (TAs) by the department field currently contained in the CSU PIMS database.
- 21.30 The assignment of work to Teaching Associates beginning in summer 2007 shall continue to be a subject of bargaining for a successor contract.

Additional Employment During a Summer Term

- 21.31 For academic year or 10-month faculty unit employees, additional employment and overload limits (125%) shall be calculated and applied independently during summer periods.

21.32 Additional employment and overload limits (125%) during summer periods beginning in 2007 shall continue to be a subject of bargaining for a successor contract.

Summer Health Benefits Stipend

21.33 Lecturers who meet all of the following criteria shall receive a stipend of four hundred dollars (\$400) per month for any of the July, August, and/or September pay periods during which he/she was not eligible for CalPERS health benefits⁷:

- a. Was employed in the immediately preceding spring term and enrolled in CalPERS health benefits; and
- b. Was appointed and worked at least six (6) WTUs during their entire summer term employment.

Humboldt State University and CSU Sacramento

21.34 Humboldt State University and CSU Sacramento may utilize the following definition of the academic year during summer 2006:

The work year of an academic year employee shall not exceed one hundred and eighty (180) full-time workdays, or days in lieu thereof, or the equivalent of one hundred and eighty (180) full-time workdays, or days in lieu thereof, spread over all three (3) academic terms, including the summer term. It is the intent of the parties that this will permit academic year employees to spread their regular employment over all three (3) academic terms, including the summer term, by reducing their workload during two (2) or more terms. Summer term is the leading term. This provision shall not preclude the establishment of an academic year calendar equaling less than one hundred and eighty (180) days. The campus academic calendar shall establish the workdays of academic year employees.

21.35 The application of this definition requires that summer 2006 is considered the first term of the academic year for the purposes of spreading faculty

⁷ Stipends are not paid to any employee who is eligible for CalPERS health benefits during these pay periods.

workload. Upon the request of a faculty member to spread work, a determination will be made by the appropriate administrator after consultation with the department.

- 21.36 The definition of the academic work year at Humboldt State University and CSU Sacramento beginning in summer 2007 shall continue to be a subject of bargaining for a successor contract.

Settlement Agreement
2006 State-supported Summer YRO at Semester Campuses
Health and Retirement Benefits

The parties have entered into this Settlement Agreement covering semester campuses providing state-supported Summer YRO courses in 2006. The parties agree, beginning with the Summer 2006 State-supported YRO term at each semester campus, to the following:

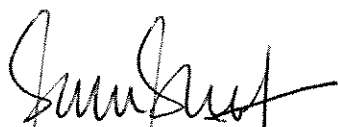
1. Classification code 2357 – Instructional Faculty, Summer Session – Extension, shall be used solely for self-support for-credit programs offered through Extended Education ~~when faculty compensation is based upon class enrollment.~~
2. Classification Class code XX – Instructional Faculty, Summer Session – State Support, will be established and used solely for for-credit programs that are supported with state funds, including state funding to subsidize the reduction of student fees.
3. The CSU will advise CalPERS that it believes that those Lecturers who are already members of CalPERS (retirement) and/or eligible for health benefits under CalPERS who are then employed in Classification Class code XX – Instructional Faculty, Summer Session – State Support, should be treated under the same CalPERS benefit eligibility and service credit rules that CalPERS applies during the Academic Year on those campuses.
4. Contingent upon the full resolution of all issues regarding Article 21, Summer Term Employment for summer 2006, the parties shall provide a \$400 summer health benefits stipend pursuant to article 21, which shall continue in subsequent summer terms covered by the successor contract. This benefit resolves any and all claims regarding health benefits eligibility resulting from summer term employment under the arbitration awards by arbitrator Knapp referenced in paragraph 10 below.
5. The parties disagree about the status that should be given to State-supported Summer Term YRO employment for Lecturers who are not already CalPERS members for retirement. The CSU's position is that

Lecturers who are not already CalPERS members for retirement prior to their State-supported Summer YRO employment will not accrue service for eligibility for retirement based upon such Summer YRO employment. Conversely, the CFA's position is that Lecturers who are not already CalPERS members for retirement ~~or who are not already eligible for health benefits under CalPERS prior to their State-supported Summer YRO employment~~ will accrue service for retirement based upon such Summer YRO employment. Pursuant to paragraph 8 of this Settlement Agreement, CalPERS shall determine whether such employment should be considered the equivalent of a semester for the purpose of establishing eligibility for retirement benefits. The CSU agrees to meet jointly with the CFA and CalPERS regarding this issue in order to present the dispute to CalPERS for adjudication.

6. This Settlement Agreement is applicable beginning in Summer 2006 YRO programs and courses offered through the regular, general fund course schedule, including fee-subsidized for-credit courses and credit courses receiving State subsidy in any form, at any CSU semester campus. This agreement shall not preclude any CSU campus from either continuing its self-support for-credit ~~summer~~ summer session programs that are offered through Extended Education, and/or from utilizing faculty in classification 2357, Instructional Faculty - Summer Session - Extension, in such programs.
7. CFA and CSU agree to arbitrate any disputes concerning the terms of this Settlement Agreement, subject to the provision below, under the Grievance and Arbitration procedure in the parties 2002-2005 Agreement. The parties further agree to expedite the scheduling of such grievances in arbitration after first hearing these cases at the Office of the Chancellor.
8. CFA and CSU agree that the determination of CalPERS benefit eligibility and service credit are solely within the authority of CalPERS and not subject to the parties' grievance and arbitration process, including an arbitration proceeding over a dispute arising under this Settlement Agreement. The terms of this Settlement Agreement shall not supersede any provision of the law related to the health or retirement benefits provided by CalPERS. Pursuant to Article 32 of the current Collective Bargaining Agreement between the parties, eligibility for CalPERS benefits are defined and determined by CalPERS.
9. CFA and CSU withdraw with prejudice the arbitration submission to Arbitrator Knapp concerning the Summer YRO Benefits issue [contained in footnote 1 in the parties' Memorandum of Understanding, Summer 2005 Staff & Compensation, Semester Campuses, dated April 25, 2005].

10. CFA and CSU agree that all matters and issues concerning the parties' YRO arbitration before Knapp [CSU Case No. 3-02-076], including Arbitrator Knapp's original Opinion and Award dated September 29, 2003 and her Supplemental Opinion and Award dated March 25, 2004, have been fully and completely resolved and that Knapp's jurisdiction in the matter has ended.
11. The CFA, on its own behalf and on behalf of all of the members of bargaining unit 3, hereby fully releases and forever discharges the State of California, the Trustees of the CSU, and each of their officers, agents and employees, and agrees to hold CSU harmless, from any and all claims, causes of action and liabilities related to the benefits provided to faculty unit employees concerning State-supported YRO employment at any CSU campus during the Summer 2006 term other than claims, causes of action and liabilities arising under the expressed terms of this Settlement Agreement.

For the California State University

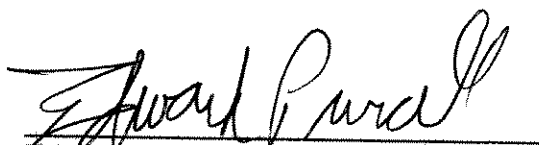


Samuel A. Strafacci
Assistant Vice Chancellor
Human Resources

For the California Faculty Association



John Travis
President



Edward Purcell
Director of Representation

Date: 4/13/06

Date: 4/13/06