THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210
(562) 951-4411

Date: October 14, 1999

To: Human Resources Directors
Payroll Managers

From: Cathy Robinson, Senior Director
Human Resources/Administration

Subject: 1999/2000 SALARY PROGRAM FOR UNIT 6 EMPLOYEES

The CSU has reached agreement with the State Employees Trades Council (SETC) regarding changes in compensation for Fiscal Year (FY) 1999/00 and the following changes are effective July 1, 1999:

**SALARY STRUCTURE ADJUSTMENTS**

- The minimum salary rates for each classification will be increased by 2% except for designated classifications that will be adjusted under the terms outlined in Article 24.21a.1.(a)-(c).
- The maximum salary rates for each classification will be increased under the terms outlined in Article 24.21a.2.(a)-(c).
- The salary ranges and steps for the Apprentice classifications will be adjusted to accommodate the revised salary structure.

**SALARY ADJUSTMENTS**

✓ **General Salary Increase**
- All employees will receive a 2.0% General Salary Increase (GSI).

✓ **Equity Salary Increase**
- Any employee remaining below the new minimum salary rate of a classification after receiving the GSI will be moved to the new minimum salary rate.
- Salary rates of Apprentices will be increased to keep them on the equivalent step on the revised salary range as that on the 6/30/99 salary schedule.

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**Distribution:**

CSU Presidents
Vice Chancellor, Human Resources
Vice Presidents, Administration
Benefits Officers
Employee Relations Designees
✓ Performance-based Salary Increase (PSI)

- A Performance-based Salary Increase pool of $380,900 (excluding associated benefits costs) is available for salary increases effective July 1, 1999.
- Employees are eligible for a PSI increase from the systemwide pool of not less than approximately one (1) percent and not more than approximately five (5) percent. For Unit 6 employees, a PSI is a permanent increase to the base salary and may not exceed the maximum salary rate of the employee’s classification. No employee may receive more than a total of 15% (not including compounding) in PSI systemwide monies for the period 1999-2001.
- Campuses may award PSIs in any amount from campus funds at any time (effective at the beginning of a pay period). These PSIs are excluded from the 15% maximum cap for the period of 1999-2001.

✓ Extended Performance Increase (EPI)

- A 1.0% increase to base salary, not to exceed the maximum of the salary range, is available for permanent employees who have an overall performance of satisfactory for the most recent five year period and have completed 15 years of qualifying pay periods and qualifying months of service at the CSU as of June 30, 1999. The procedure is outlined in Article 24.22-24.26. The EPI is retroactive to July 1, 1999.

✓ Lump Sum Signing Bonus

- Pursuant to a June 22, 1999 side letter (Attachment A), full and part-time Unit 6 employees on payroll (including paid “on leave” employees) effective the close of business on June 30, 1999, are entitled to a one-time lump sum bonus. Full-time employees will receive $400, and part-time employees will be paid pro-rata, based upon their timebase equivalent. Employees with intermittent (INT) timebases are not eligible for the bonus.
- HR-ISA will create a payroll transaction to generate the payments after the mass update (after October 15, 1999). For employees not captured in HR-ISA’s process, campuses may request payments using the Miscellaneous Payroll/Leave Actions Form (STD. 671). Earnings ID “9M” and the gross amount of the bonus must be denoted on the form for the 10/99 pay period (refer to PPM Section G100 for completion instructions, or PPM Section K for PIP instructions). The bonus is subject to federal, state, Social Security and Medicare tax withholding. The bonus will not become a permanent increase to the base salary of the employee, nor will it be subject to retirement withholding or included in the calculation of NDI or IDL.

CIRS compendium report “R06 Employees Eligible for the Lump Sum Bonus” will be available after the mass update and will provide a listing of employees eligible for the bonus. Access Report Code “X80,” Cycle 9910, in the Special Reports category.

IMPLEMENTATION

Implementation of the contract salary provisions will be accomplished by a combination of automated and manual processes by the State Controller’s Office (SCO), Personnel/Payroll Services Division (PPSD) as follows:
Employment History Processing Items

- The SCO’s mass update program that will post the GEN transaction is scheduled to run during the weekend of October 15, 1999. The GEN will increase the employee’s salary by 2% and automatically bring an employee’s salary to the minimum salary rate for the class if an employee is still below the new minimum. The mass update will also correct any out-of-sequence transactions.

- After the mass update program has been run on October 15, 1999, HR-ISA will provide the SCO with a report listing all employees whose anniversary date is “MAX” but who are no longer at the performance maximum for the classification. (This may happen when the maximum rate is increased by more than 2%). PPSD will correct the GEN transaction for these employees and set the anniversary date to “9999.”

PSI Processing Instructions

- PSIs paid from the systemwide pool shall be in the form of a permanent increase to the assigned salary of the employee, retroactive to July 1, 1999.
- PSIs will be posted by the campus via an SCR transaction with a Detail Transaction Code of “50.”
- Employees on an unpaid leave of absence as of July 1, 1999, may receive a PSI from the systemwide compensation pool effective upon their return from leave via A57/A58 transaction.
- As a reminder, PSIs provided solely from campus funds may be awarded at any time effective at the beginning of a pay period and must be in the form of a permanent increase to base salary. Reference “HR/SA 99-17” in Item 215.

EPI Processing

- Process EPIs using the CRO transaction (see PIMS Manual 7.57-7.58). The EPI is 1% up to the maximum of the salary range. Eligible employees on a leave of absence effective July 1, 1999, may have the EPI processed effective upon return to pay status.
- In Item 215, Employment History remarks, indicate “Ext Perf Incr.”

Revised Unit 6 pay scales for FY 1999/00 will be available via CIRS on October 18, 1999. This report may be accessed from Report Code G20, Cycle 9999. The salary schedule will also be available via the CSU web site (http://www.calstate.edu/hrpims/salary.htm).

GENERAL NOTES

Each campus will receive a joint memo from Employee Relations and Business and Finance identifying the campus share of the performance pool systemwide funds available for each collective bargaining unit.

If you have any questions regarding this information, please contact Pamela Chapin in Human Resources Administration at (562) 951-4414.

CR/pe
Attachment
June 22, 1999

Mr. Patrick Hallahan
International Representative
LIUNA
620 Sunbeam Avenue
Sacramento, CA 95814

Re: Signing Bonus

Dear Mr. Hallahan:

During contract negotiations for a successor contract to the 1996/1999 collective bargaining agreement, CSU agreed to award signing bonuses to employees represented by SETC provided agreement has been reached and Tentative Agreements signed on all articles and side letters of the collective bargaining agreement by June 25, 1999.

This signing bonus will be in the amount of $400 for every full-time employee. Part-time employees represented by SETC will receive a pro-rated amount.

Sincerely,

Sharyn Abernathy
Manager, Employee Relations

Concurrence:

Patrick Hallahan
SETC/LIUNA