Date: September 29, 1995  
To: Personnel Officers  
Payroll Supervisors  
From: Cathy Robinson, Senior Director  
Human Resources Administration  

Subject: 1995/96 SALARY PROGRAM SUMMARY

This memorandum addresses 1995/96 salary programs for university employees. The following information is provided to assist campus staff with salary administration issues:

- Attachment A - Summary of 1995/96 salary changes for all employee groups except Units 2, 5, 7 and 9. (We do not yet have a tentative agreement with CSEA.) The summary addresses the following: (1) salary structure changes; (2) service-based salary increases (SSIs); (3) performance-based salary increases (PBI); (4) extended performance-based salary increases (EPBI); and (5) general salary increases (GSI).

- Attachment B - Payroll processing instructions for each type of increase, plus directions for verifying automated increases.

- Attachment C - Campus list of employees potentially eligible for the Unit 6 Extended Performance Increases. Employee eligibility needs to be verified prior to processing.

If you have any questions regarding these items, please call systemwide Human Resources Administration at (310) 985-2669. Thank you.

CR/pb  
Attachments

Distribution:

All Without Attachments

Presidents  
Business Managers  
Vice Chancellor, Human Resources and Operations  
Employee Relations Designees  
Vice Presidents, Administration
SUMMARY OF 1995/96 SALARY CHANGES

Salary Structure Changes: The following bargaining units negotiated or have tentatively agreed to the following salary structure changes:

- **Unit 1** -- R01 classifications have been converted from a step structure to an open salary range structure. The service maximum (see the Service-based Salary Increase section below) has been established at 2% above the 1994/95 Step 5, effective July 1, 1995. The performance maximum has been established at 10% above the 1994/95 Step 6.

- **Unit 3** -- With the exception of Counselor and SSP-AR classifications (class codes 2341, 2342, 2344, 3070, 3071, 3072, 3073, 3074 and 3075), R03 steps will be divided in half and additional “half-steps” will be added if the tentative agreement is ratified. Designated Market Discipline classifications will be treated in the same manner for 1995/96 and discontinued effective 7/1/96.

- **Unit 4** -- If the tentative agreement is ratified, those R04 classifications which previously had 5 steps will be converted to 9 “half-steps” for recognition of service and/or performance, plus an additional 5 half-steps limited to recognition of performance only. Classifications which previously had 3 steps will be converted to 5 half-steps plus 3 additional half-steps limited to performance only.

- **Unit 6** -- Except for certified apprentice classifications, all classes have been converted to open ranges, with the minimum of each salary range designated as the Standard Rate for that classification and established at an amount approximately 2.5% above the 1994/95 Step 1 rate. All new R06 employees must be hired at the Standard Rate.

Prior to conversion to the new R06 salary structure and application of the GSI (see the General Salary Increase section below), existing individual salary rates were adjusted as follows:

1. Employees who were eligible for an Merit Salary Adjustment (MSA) in 1994/95 in accordance with the provisions 24.14 through 24.20 of the 1994/95 Collective Bargaining Agreement were moved to a rate on the salary schedule equal to the rate at Step 2 in 1994/95.

2. Employees who would have become eligible for an MSA in 1995/96 in accordance with the provisions 24.14 through 24.20 of the 1994/95 Collective Bargaining Agreement were moved to a rate on the salary schedule equal to the rate at Step 2 in 1994/95.

Note: Several temporary R06 employees did not have documented anniversary dates to permit automatic adjustment according to items 1 and 2 above. Each campus should review the records of its temporary employees. If the temporary employee was eligible for an MSA in 1994/95 or if the employee would have become eligible for an MSA in
1995/96 prior to expiration of his/her current appointment, the employee’s salary rate should be adjusted upward 2.5%, retroactive to 7/1/95, unless the State Controller-processed increase already included this adjustment. In addition, temporary employees whose employment is extended without a break later in 1995/96 may become eligible for this adjustment between now and 6/30/96; the retroactive adjustment should be processed upon eligibility.

- **Unit 8** – The tentative agreement, if ratified, will expand the current ranges from 10 steps to 14 steps, with the new steps limited to performance only.

- **Unit 10** – The open ranges of R10 have been modified to reflect a Minimum rate, a Journey Level Service Maximum, and a Performance Maximum. The minimum rates have been increased 2.5% over the minimum in effect as of 6/30/95. The service maximums have been established at 1.75% over the prior maximum in effect on 6/30/95. The performance maximums have been established at 10% higher than the journey level service maximum.

- **C99 Confidential Classes** – Please refer to HR 95-14.

- **Management** – Please refer to Pay Letter 95-05.

**Service-based Salary Increases:** The following units have negotiated or have tentatively agreed to discontinue Merit Salary Adjustments (MSAs). Instead, they will receive Service-based Salary Increases (SSIs), which are based upon completion of a specified period of satisfactory service and must be renegotiated in any fiscal year. Each time an employee is granted an SSI, his/her anniversary date is advanced one year. Once the employee has reached the specified service maximum rate or step, no further SSIs may be granted. (Continued progression along the salary range must be based upon performance as explained in the next section.)

<table>
<thead>
<tr>
<th>Unit</th>
<th>Starting Date</th>
<th>95/96 SSI Increment</th>
<th>Service Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>n/a</td>
<td>n/a</td>
<td>See Salary Schedule for $</td>
</tr>
<tr>
<td>3</td>
<td>7/1/95</td>
<td>2 steps (Counts = 1 step)</td>
<td>4 MSAs/8 SSIs - see below (pending rat.)</td>
</tr>
<tr>
<td>4</td>
<td>9/1/95?</td>
<td>2 steps</td>
<td>Step 5 of 8 or Step 9 of 14 (pending rat.)</td>
</tr>
<tr>
<td>6</td>
<td>n/a</td>
<td>n/a</td>
<td>None stated</td>
</tr>
<tr>
<td>8</td>
<td>7/1/95</td>
<td>1 step</td>
<td>Step 10 of the Range (pending rat.)</td>
</tr>
<tr>
<td>10</td>
<td>7/1/95</td>
<td>3%</td>
<td>See Salary Schedule for $</td>
</tr>
<tr>
<td>C99</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>M80</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

Note: Units 1 and 6, C99 Confidentials and Management will have **neither** MSAs **nor** SSIs in 1995/96.

While employees may receive Performance-based Salary Increases (see next section) at any point in the salary range up to the performance maximum (top) of the range, they **may not** receive Service-based Salary Increases beyond the service maximum stated in the
appropriate Memorandum of Understanding. HOWEVER, THE SERVICE MAXIMUM IS TRANSPARENT TO THE PAYROLL SYSTEM AND MUST BE MONITORED BY THE CAMPUS.

Performance-based Salary Increases: This new type of increase is based solely upon an assessment of the employees’ meritorious performance. This type of increase is also used for Management Personnel Plan employees and for C99 Confidential Designated Positions. Some unions require the CSU to report how the performance funds have been spent:

<table>
<thead>
<tr>
<th>Unit</th>
<th>Effective Date</th>
<th>Report Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Physicians)</td>
<td>7/1/95</td>
<td>1/1/96</td>
</tr>
<tr>
<td>3 (Faculty)</td>
<td>1/1/96</td>
<td>6/1/96 (pending ratification)</td>
</tr>
<tr>
<td>4 (Academic Personnel)</td>
<td>7/1/95</td>
<td>7/1/96 (pending ratification)</td>
</tr>
<tr>
<td>6 (Skilled Crafts)</td>
<td>7/1/95</td>
<td>2/1/96</td>
</tr>
<tr>
<td>8 (Peace Officers)</td>
<td>7/1/95</td>
<td>None stated (pending ratification)</td>
</tr>
<tr>
<td>10 (CMA Operating Engineers)</td>
<td>7/1/95</td>
<td>2/1/96</td>
</tr>
<tr>
<td>C99 (Confidential Classes)</td>
<td>7/1/95</td>
<td>None</td>
</tr>
<tr>
<td>M80 (Management)</td>
<td>7/1/95</td>
<td>None</td>
</tr>
</tbody>
</table>

Note: Unit 6 apprentice classifications are ineligible for PSIs. All movement along the apprentice salary range is contingent upon satisfactory completion of service in the apprenticeship program every 6 months.

Extended Performance-based Salary Increases: Only Unit 6 has negotiated this special salary increase for employees who have satisfactorily completed 19 years of service as of 7/1/95. The increase totals $35 per month for a full-time employee (prorated for part-time employees) and it is a one-time, permanent increase to the employee’s monthly base salary. Attachment A lists Unit 6 employees who may be eligible for such an increase. Campuses should verify eligibility prior to processing the increase.

General Salary Increase Provisions: The following units negotiated or have tentatively agreed to the following General Salary Increases:

<table>
<thead>
<tr>
<th>Unit</th>
<th>Percent</th>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Physicians)</td>
<td>2.00%</td>
<td>7/1/95</td>
</tr>
<tr>
<td>3 (Faculty)</td>
<td>1.20%</td>
<td>7/1/95 (if ratified by 10/3)</td>
</tr>
<tr>
<td>4 (Academic Professionals)</td>
<td>1.30</td>
<td>payperiod following union ratification</td>
</tr>
<tr>
<td>6 (Skilled Crafts)</td>
<td>1.57%</td>
<td>7/1/95</td>
</tr>
<tr>
<td>8 (Peace Officers)</td>
<td>1.40%</td>
<td>9/1/95 (if ratified by 9/30)</td>
</tr>
<tr>
<td>10 (CMA Operating Engineers)</td>
<td>1.75%</td>
<td>7/1/95</td>
</tr>
<tr>
<td>C99 (Confidential Classes)</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>M80 (Management)</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>
Miscellaneous Salary Provisions: Unit 6 also increased the rate for the Asbestos Pay Differential to $2.50 per hour, the amount of the Asbestos Training and Hazardous Material Handling Certification Allowance to $125, and the amount of the Backflow Testing and Water Treatment Operator Allowance to $125. In addition, a new earnings ID will be established to permit payment of the new, one-time R06 Refrigeration Certification Allowance of $125 on or before March 1, 1996. We will advise you as soon as the payment process has been established for this new item.
PAYROLL PROCESSING INSTRUCTIONS

General Instructions for Service-based Salary Increases (SSIs):

- Process SSIs using the MSA transaction code (refer to PIMS Manual 7.53-7.54).
- Advance the Anniversary Date one year.
- Ensure the new salary does not exceed the service maximum stated in the appropriate Memorandum (MOU).
- If the new salary reaches the service maximum, change the Anniversary Date to “99/99” and send the document to the State Controller for keying.

General Instructions for Performance-based Salary Increases (PSIs):

- Process PSIs using the SCR transaction code (PIMS Manual 7.55-7.56).
- Complete the Detailed Transaction Code on all PSIs: Use code 50 for systemwide funds or code 51 for campus funds. A single PSI transaction must be documented as funded by either systemwide or campus funds -- a combination is not possible at the individual level.
- Complete item 704(b), Management Data Element (PIMS Manual 3.57), on all performance increases (including MPP and C99 performance increases).
- If the PSI brings the employee’s salary up to or over the service maximum stated in the MOU, change the Anniversary Date to “99/99” and send the document to the State Controller for keying. (If the new salary is below the service maximum, leave this item blank on the SCR transaction so that the Anniversary Date will remain unchanged by the PSI)

General Instructions for Extended Performance-based Salary Increases (EPIs):

- Process EPIs using the CRO transaction (see PIMS Manual 7.49-7.50).
- Most Unit 6 records will already reflect a CRO effective 7/1/95 due to the restructuring of the salary schedule. Correct the CRO effective 7/1/95.
- In history remarks, indicate “Ext Perf Incr.”.
- Note: Campuses will be responsible for identifying EPI recipients in the future, if required. There will be no centralized reporting of this type of transaction.
- If the EPI brings the employee’s salary up to or over the service maximum stated in the MOU, change the Anniversary Date to “99/99” and send the document to the State Controller for keying. (If the new salary is below the service maximum, leave this item blank on the CRO transaction so that the Anniversary Date will remain unchanged by the EPI.)
General Instructions for General Salary Increases (GSIs):

- Normally, GSIs are mechanically generated at the State Controller’s Office (refer to PIMS Manual 7.51-7.52).
- For open salary ranges, such as the R10 GSIs, the transaction must be keyed at the campus.
- With an open salary range, the campus must compute the GSI percentage on the existing assigned salary rate and round to the nearest whole dollar.
- If the new salary brings the employee up to or over the service maximum stated in the MOU, the Anniversary Date must be changed to "99/99" and the document must be sent to the State Controller for keying.

Special Notes for Item 330 (Anniversary Date):

- **General Information:** For new appointments, if the appointment expiration date is less than one year from the initial appointment date, enter "NONE". Otherwise, enter the anniversary date that would be one year from the initial appointment date.

- **Unit 1 (Physicians):** If Item 330 = "99/99", campuses can key documents except for class codes 0605 and 0608. Documents for class codes 0605 and 0608 must be sent to CSU Audits for processing. If an employee was at Step 5, Item 330 should be "99/99" not "NONE".

- **Unit 6 (Skilled Crafts):** If Item 330 = "99/99", send in documents to CSU Audits for processing. Employees at Step I with anniversary date prior to July 1996 must be given salary rate equivalent to the old Step 2 plus 1.57% for the GSI and Item 330 = "99/99". If an employee already has "99/99" in Item 330, leave as "99/99" and send in documents to CSU Audits.

Verification Procedures for R01 and R06:

- **Campuses are responsible for verifying the information that PPSD has keyed for affected employees.** The following logic has been used to calculate the employee's new salary rate, exclusive of any performance increases:

  - **Unit 1:** The R01 employee's 6/30/95 base salary is increased 2% for the GSI (Provision 19.3) effective 7/1/95. No Service-based Salary Increases (SSI's) have been negotiated for 1995/96.

  - **Unit 6:** For an R06 employee who was at the old Step I (in effect prior to 7/1/95) and whose anniversary date is prior to 7/96, the base salary is first increased to the old
Step 2 rate (Provision 24.1) then the salary is increased by the 1.57% GSI (Provision 24.5). Any other employee at the old Step 1 is eligible for the new minimum of the range salary. An employee at the old Step 3 gets the old Step 3 salary rate plus the 1.57% GSI (Provision 24.5). Except for these salary adjustments, no Service-based Salary Increases (SSIs) have been negotiated for 1995/96.

- SCO/PPSD keyed the updates for all Unit 1 and 6 employees except those currently on Leave of Absence (LOA) with a CRO transaction effective July 1, 1995. (Campuses will have to enter the assigned salary and delete the step on A57 and A58 reinstatements from LOA. CSU Audits has corrected A68 transactions.)

Coding/keying instructions for A57's and A58's effective July 1, 1995 or later:

a. Item 311 = asterisk (*) to delete
b. Item 330 = proper information if changing
c. Item 820 = proper full time salary rate (computer will generate proper salary for employees with less than full timebase or intermittent.)

(Refer to PIMS Manual for other required fields.)

- Data used to generate the update sheets for PPSD to use in keying for this process was as of **August 4, 1995**. If a campus has keyed anything for an employee in Units 1 or 6 after August 4, 1995, the campus will have to key the CRO transaction. If a transaction was keyed by the campus after August 4, 1995 with an **effective date prior and up to July 1, 1995**, the campus will have to key the CRO transaction. CRO must be posted on employees as follows:

a. Item 205 = CRO
b. Item 210 = July 1, 1995
c. Item 215 = GSI/MOU
d. Item 311 = asterisk (*) to delete
e. Item 330 = proper information if changing
f. Item 820 = proper full time salary rate

If an appointment was keyed by the campus after August 4, 1995 with an **effective date of July 2, 1995 or later**, the campus must correct the transaction as follows:

a. Item 205 = AxxC
b. Item 210 = same as original appointment
c. Item 215 = GSI/MOU
d. Item 311 = asterisk (*) to delete
e. Item 330 = proper information if changing
f. Item 820 = proper full time salary rate
g. Item 960 = proper position number of transaction being corrected.
• For any appointments (Item 450 = 1, 3 or 4) that have not as yet been keyed but are effective July 1, 1995 or later, enter the correct assigned salary and anniversary date (no steps).

If appointment is A50, A52 or A56 and Item 450 = 1, 3 or 4
a. Item 210 = July 1, 1995 or later (if prior to July 1, 1995, follow above CRO procedures after appointment is keyed.)
b. Item 311 = blank if Item 450 = 1 or 4
   asterisk (*) if Item 450 = 3
c. Item 330 = proper information if changing
d. Item 820 = proper full time salary rate
(Refer to PIMS Manual for all other required fields)

• If a campus processes any separation, ND1, or LOA transaction with an effective date prior to July 1, 1995 after PPSD processes the CRO, the campus must VOID the CRO processed by PPSD.

• Now that PPSD has processed the CRO, any other transaction keyed with an effective date prior to July 1, 1995 will be out-of-sequence and must be sent to PPSD for keying.

• Red circle instructions for flat rate stipends: If the employee receives a flat dollar amount stipend (such as confidential employee stipends, or certain plumbers at Pomona who receive a stipend due to a 1991 arbitration settlement), the GSI percentage is applied to the employee's base salary -- NOT the combination of base salary plus stipend. Add the flat rate stipend to the result. The full amount of the stipend continues to be reflected as the red circle amount, even if the actual total salary does not exceed the performance maximum salary rate.

• Red circle instructions for all others:

  1. If the current actual salary including red circle is higher than the new performance maximum salary rate, no increase is granted. The new assigned salary will be the new performance maximum and the red circle amount will be the amount necessary to bring pay to the current total salary rate ("actual" salary).

  2. If the current actual salary including red circle is less than the new performance maximum salary rate, apply the GSI percentage to the combination of base salary plus red circle ("actual" salary). The resultant salary rate cannot exceed the new performance maximum salary rate and all red circle amounts will be eliminated.

• Campuses must contact their CSU Audits representative if they need additional information or have any questions.
Verification Procedures for R03, R04, and R08:

Processing instructions will be determined upon ratification of these tentative agreements. You will be notified as appropriate.
Attachment C of HR/SA 1995-10 contains confidential personal information. If further information is needed, please contact Human Resources Administration at (562) 951-4411.