The California State University  
Office of the Chancellor  
400 Golden Shore  
Long Beach, CA 90802-4275  
(310) 985-2674

Date: October 12, 1995  
Code: TECHNICAL LETTER  
HR/SA  
95-13

To: Associate Vice Presidents/Deans of Faculty  
Personnel Officers  
Payroll Supervisors

From: Cathy Robinson, Senior Director  
Human Resources Administration  
Jeanne Picard, Director  
Academic Personnel Services

Subject: 1995/96 CALIFORNIA FACULTY ASSOCIATION SALARY PROGRAM

The California Faculty Association (Unit 3) Memorandum of Understanding was ratified October 5, 1995, and provisions include a 1.2% General Salary Increase (GSI), a change from Merit Salary Adjustments (MSAs) to Service-based Salary Increases (SSIs), and a significant change in the structure of the Unit 3 payscales. Adjustments to the CSU payscales retroactive to July 1, 1995 have been implemented to reflect the agreement’s new provisions. Salary schedule updates are being forwarded under separate cover to campus salary schedule coordinators responsible for distributing the information to appropriate campus personnel. In addition, the following information is provided to assist campus staff with salary administration issues:

- Attachment A -- Unit 3 Salary Changes and Implementation Information.
- Attachment B -- Unit 3 Payroll Processing Instructions.
- Attachment C -- Unit 3 Service Maximum Salary Levels.

If you have any questions about the State Controller’s Office (SCO) validation or keying instructions, please contact your CSU Audits representative at the SCO. If you have any other questions, please call systemwide Human Resources Administration at (310) 985-2669. Thank you.

CR/dth  
Attachments

Distribution:  
Presidents  
Vice Chancellor, Human Resources and Operations  
Vice Presidents, Academic Affairs  
All Without Attachments  
Vice Presidents, Administration  
Business Managers  
Employee Relations Designees
UNIT 3 SALARY CHANGES AND IMPLEMENTATION INFORMATION

The MOU provisions include a 1.2% General Salary Increase (GSI), a change from Merit Salary Adjustments (MSAs) to Service-based Salary Increases (SSIs), and a significant change in the structure of the Unit 3 payscales. Due to the complexity of these changes, the Personnel/Payroll Services Division (PPSD) at the State Controller's Office (SCO) will be responsible for manually processing the majority of affected employee records within this Unit.

Based upon October 6, 1995 data, worksheets have been provided to CSU Audits in the SCO so that SCO staff can manually key the various retroactive transactions for employees in step rate classifications. This process will include implementation of the two-step SSI authorized for the 1995/96 fiscal year.

The significant structural change to the CSU payscales required each salary range to begin with a renumbered step 01 and end at a newly determined maximum step. The difference between steps on the new structure will now be approximately 2.5% versus approximately 5% on the old structure. This class restructure is applicable to all step rate classifications within the Unit 3 salary schedule except Counselors (class codes 2341, 2342 and 2344) and the Student Services Professional - AR series (class codes 3070 - 3075).

In addition, while the salary structure for Lecturer classes (e.g. class code 2358) closely approximates the salary structure for probationary and tenured faculty (e.g. class codes 2360 and 2399), there are differences between the Range 3/Lecturer B scale and the Range 3/Assistant Professor scale. The Range 3/Senior Assistant Librarian scale for the Librarian classes also is now different from the Range 3/Assistant Professor scale.

Lastly, please note the elimination of the Meritorious Performance and Professional Promise (MPPP) salary program.

**General Salary Increases:** For fiscal year 1995/96, the steps within each salary range for all bargaining unit classifications shall be increased by one and two-tenths percent (1.2%) effective July 1, 1995.

**Service-based Salary Increases:** All SSIs for employees in step rate classifications will be manually processed by PPSD until the existing MSA process is modified. This means SSIs for employees with anniversary dates occurring during the period July 1995 - June 1996 (inclusive) will be centrally processed by the SCO until further notice. SSI denials will be posted using the 330 transaction code after all MSA/SSI transactions are posted. Campuses must process SSIs for employees in non-step rate
classifications. Further instructions are provided in Attachment B.

The data in the MSA Counter field will be converted to the number of remaining SSIs available to the individual. The following is a conversion chart:

<table>
<thead>
<tr>
<th>Old MSA Counter</th>
<th>New SSI Counter</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

In addition to the number of remaining SSIs available to an employee, the MOU states that Service-based Salary Increases may not exceed step 9 (old step 20) for the Professor rank, step 15 (old step 18) for the Associate Professor rank, or step 11 (old step 13) for the Assistant Professor rank. (While these express limits apply to the majority of Unit 3 instructional faculty, please refer to the chart appended as Attachment C for step conversions for all affected Unit 3 classifications.) These service maxima are invisible to the payroll system and must be monitored by the campus.

For fiscal year 1995/96, all classifications except Counselors and the Student Services Professional - AR series will receive a two-step SSI. The MSA/SSI Counter and Final Anniversary Date will be set during the conversion so that the net effect produces an approximate 5% increase for this fiscal year, along with a reduction in the newly converted SSI Counter of two and an adjustment to the Final Anniversary Date of one. For example:

Employee is at new step 5, anniversary date was 09/95, new SSI counter is 4, final anniversary date was 09/98:

<table>
<thead>
<tr>
<th>Step</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year Employee At</td>
<td>X</td>
<td>95</td>
<td>96</td>
<td>97</td>
<td>98</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Because of the 2-step 09/95 SSI, employee moves to new step 7, anniversary date is set to 09/96, final anniversary date is now 09/97:

<table>
<thead>
<tr>
<th>Step</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/95 SSI</td>
<td>X</td>
<td>96</td>
<td>97</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
When funding is available, future SSIs under the terms of the new agreement will be one-step changes. Since the Counselor and Student Services Professional - AR classifications maintain a 5% differential between steps, their SSIs will be one-step adjustments for this fiscal year period.

**Performance-based Salary Increases:** Up to four (4) steps for a Performance-based Salary Increase (PSI) are authorized per employee in fiscal year 1995/96. PSI keying will commence April 1996 retroactive to January 1, 1996. Payroll processing instructions are provided in Attachment B.

**Market and/or Equity Salary Increases:** Up to five (5) steps for Market and/or Equity Increases are authorized per employee per fiscal year. Payroll processing instructions for this type of increase are provided in Attachment B.

**What the Campus Must Key:** Campuses are responsible for reviewing the records of employees in non-step rate classifications (e.g. minimum - maximum salary ranges), as well as those placed on the payroll via A54 (Temporary Appointment - Special Payment Transaction) appointments, to determine what action is required. Coding/keying instructions for A54 appointments and for employees in non-step rate classifications are provided in Attachment B.

A CIRS Compendium Report, number X99, lists each campus’ Unit 3 employees (identified as of October 6, 1995 data) who will require campus keying. This report may be accessed under the Campus Detail portion of the CIRS Compendium, under Special Reports. Please be aware that it is possible that this report may not be complete, and campuses should consider it merely a starting point.

In addition, CIRS Compendium Report number X98 summarizes the conversion from the old Unit 3 structure to the new Unit 3 structure. It displays the old step, new step, old base pay, and new base pay for each Unit 3 class and range. The report may be accessed under the Systemwide Summary portion of the CIRS Compendium, under Special Reports.

**What the SCO Will Key:** CSU PIMS generated worksheets to enable the SCO to key necessary transactions for affected employees as follows:

A GEN transaction will be processed for employees in the Counselor or Student Services Professional-AR classifications (class codes 2341, 2342, 2344, and 3070 through 3075). The effective date of the GEN transaction will be 07/01/95.

A CRO transaction will be processed for all other employees and will reflect an
effective date of 07/01/95. The CRO transaction will include the following:

- the general salary increase
- a new step number (if applicable) based on the new salary structure
- a new Anniversary Date of “99/99” for employees who were at MAX based on the old salary structure
- a new final salary anniversary date/MSA counter (if applicable) based on the new Service-based Salary Increase provision of the agreement

Adjustments/updates to subsequent transactions will be processed along with the GEN or CRO transaction. Also, an MSA transaction will be processed for employees entitled to a Service-based Salary Increase. Personnel/Payroll Transaction (PPT) turnaround documents will be generated from the process and released to campuses as an employee’s Employment History record is updated.

**Timeline:** As a result of the complexity and volume of the workload associated with the new Unit 3 MOU, the employment history database update is expected to take several months (possibly through February 1996). To assist with the update, campuses are requested to refrain from processing PPTs for any Unit 3 incumbent until the employee’s Employment History record is updated by PPSD. If it is necessary to process the PPT before the employee’s employment history record is updated by PPSD, please contact your CSU Audits representative to coordinate the processing of the PPT. Campuses are also requested to refrain from calling CSU Audits (with the exception of calls to report keying errors or to coordinate PPT processing) until SCO personnel have finished keying payroll changes for the entire campus. Campuses are responsible for verifying the data entered for possible keying errors and notifying CSU Audits if corrections are required, based upon the instructions provided in Attachment B of this technical letter.

**Miscellaneous Notes:**

- Continuing Education faculty employed during summer 1995 may be eligible to receive the 1.2% GSI for their summer earnings. Please refer to Page 3 of Attachment B, information regarding A54 transactions.

- The salary schedule for Instructional Faculty, Extension (class code 2363), a nonrepresented class, continues to mirror the salary schedule for Instructional Faculty, Extension - For Credit (code 2323), a represented class included in the faculty bargaining unit.
• Pursuant to the new MOU, some employees in the classification of Head Coach (class codes 2332, 2373, 2374, or 2375) will be appointed to the Management Personnel Plan effective October 1, 1995. However, for the period July 1, 1995 to September 30, 1995, these individuals remain Unit 3 employees and are therefore entitled to any salary adjustment (authorized by the collective bargaining agreement) which takes effect prior to October 1st.
UNIT 3 PAYROLL PROCESSING INSTRUCTIONS

The updated Unit 3 payscales are being implemented tonight, October 12, 1995, and campus keying may commence on Friday, October 13.

A CIRS Compendium Report number X99 lists each campus' Unit 3 employees (identified as of October 6, 1995 data) who will require campus keying. This report may be accessed under the Campus Detail portion of the CIRS Compendium, under Special Reports. Please be aware that it is possible that this report may not be complete, and campuses should consider it merely a starting point.

In addition, CIRS Compendium Report number X98 summarizes the conversion from the old Unit 3 structure to the new Unit 3 structure. It displays the old step, new step, old base pay, and new base pay for each Unit 3 class and range. The report may be accessed under the Systemwide Summary portion of the CIRS Compendium, under Special Reports.

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

- PPSD will process SSIs for employees in step rate classifications using the MSA transaction code for fiscal year 1995/96.

- PPSD will advance the Anniversary Date one year and reset the Final Anniversary Date/MSA Counter.

- Campuses must process SSIs for employees in non-step rate classifications using the MSA transaction code for fiscal year 1995/96.

- In addition to the number of remaining SSIs available to an employee, the Memorandum of Understanding (MOU) states that service-based salary increases may not exceed the service maxima stated in the MOU. Please refer to Attachment C for information on maximum service-based salary levels for specific classifications in Unit 3. These service maxima are invisible to the payroll system and must be monitored by the campus.

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

- PSIs will be available for campus keying in April 1996 with a January 1, 1996 effective date.

- Process PSIs using the SCR transaction code (PIMS Manual 7.55-7.56).
• Complete the Detailed Transaction code on all PSIs: Use code 50 to denote systemwide performance increase funds, code 51 for campus performance increase funds, code 52 to denote market-based increases using campus funds, and 53 to denote equity-based increases using 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, market and equity 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. (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 General Salary Increases (GSIs):**

• For classifications with non-step salary structures, the campus must compute the GSI percentage on the existing assigned salary rate and round to the nearest whole dollar:
  a. Item 205 = GEN
  b. Item 210 = July 1, 1995
  c. Item 215 = GSI/MOU
  d. Item 330 = proper information if changing
  e. Item 820 = proper full time salary rate
  f. Item 958 = proper information if Item 330 is changing

• If the new salary brings the employee up to or over the service maximum in Attachment C, the Anniversary Date must be changed to 99/99.

• If the new Item 958 = XX/99 or XX/00 or an MSA/SSI Counter greater than 4, the document must be sent to the State Controller for keying.
Campuses Processing A54 (Temporary Appt. - Special Payment) Transactions:

- Employees in class codes 2322, 2323, 2357 and 2402 whose last day worked is 7/1/95 or later (regardless of the effective date of the A54 transaction) are entitled to the General Salary Increase. All other employee are entitled to the GSI only if the effective date of the A54 transaction is 7/1/95 or later.

- Process or submit, if out of sequence, an A54C documenting the new rate and new total amount due.

Verification Procedures for Unit 3:

Once the PPT turnaround document from the PPSD update is received, verify that the employee’s Employment History record was updated correctly. For an individual in a Counselor or Student Services Professional AR classification, the employee’s base salary should be increased by 1.2% for the GSI. Transactions that were processed prior to the Employment History update should be corrected to reflect the new salary rate. Also, if an employee in one of these classifications is entitled to a SSI, the MSA transaction should reflect a one-step increase, a new anniversary date (either a date that is one year from the old date, “99/99”, “NONE” or “MAX”), and a new MSA/SSI counter (old MSA counter less one).

For all other employees, use the following information to verify the CRO transaction or appointment fix transaction:

- New Base Salary -- The employee’s base salary should be increased by 1.2% except for employees in classes where the old steps 6 and 7 for the Assistant Professor range were eliminated. Employees in these eliminated steps are moved to the new step 1 rate on the Assistant Professor range.

- New Salary Step -- Use the CIRS Compendium Report number X98 under Systemwide Summary, Special Reports, to determine the employee’s new step number.

- New Anniversary Date

  ⇒ For employees at MAX based on the old salary structure, the new anniversary date should be “99/99” if additional steps were added to the employee’s class/range.

  ⇒ For all other employees, there should be no change to the anniversary date.
• New Final Anniversary Date/MSA Counter

⇒ If the employee’s new anniversary date is “99/99”, then the final anniversary date/MSA counter should be “99/99-0”.

⇒ If the employee’s anniversary date is not MAX or NONE, then the final anniversary date should be computed as follows:

◊ New MSA/SSI counter should be the old MSA counter multiplied by 2. If the new MSA counter would provide for a salary that exceeds the SSI maximum stated in the agreement or a step number higher than the number of steps in the employee’s class/range, then adjust the new MSA counter accordingly.

◊ New final anniversary date should be the difference between the old MSA counter and the new MSA/SSI counter (computed per above) added to the year portion of the old final anniversary date.

EXAMPLE: Employee’s old final anniversary date/MSA counter is “09/97-3”. The employee’s new MSA/SSI counter would be “6” (old MSA counter of 3 multiplied by 2). The employee’s new final anniversary date would be “09/00” (old final anniversary date year of 97 plus the difference between the old and new MSA/SSI counters of 3).

⇒ For all other employees, there should be no change to the final anniversary date/MSA counter.

Transactions processed prior to the Employment History update should be corrected to reflect the new salary structure and general salary increase. Also, if an employee is entitled to a SSI, the MSA transaction should reflect a two-step increase, a new anniversary date (either a date that is one year from the old date, “99/99”, “NONE” or “MAX”), and a new final anniversary date/MSA counter. (New final anniversary date should be one year less than old anniversary date and new MSA/SSI counter should be old [already converted] MSA/SSI counter less two.)

Employees who on a leave of absence without pay (including 565, code 7) or separated from all positions prior to 7/1/95 will not be included in the PPSD update. For other employees, if an error is found or if a PPT turnaround document is not received after the majority of your campus’ PPT turnaround documents are received, please contact your CSU Audits representative.
Transactions Keyed after 10/6/95:

Appointments and reinstatements keyed after 10/6/95 will require the campus to update these employees' records, or submit to CSU Audits, as follows:

1) For appointments with Item 450 = 1, 3 or 4 and effective prior to 7/1/95, post the CRO as follows:

   Item 205  =  CRO
   Item 210  =  7-1-95
   Item 251  =  GSI/MOU
   Item 311  =  Use the CIRS Compendium Report number X98 to determine the new step number
   Item 330  =  See above information under New Anniversary Date
   Item 958  =  See above information under New Final Anniversary Date/MSA Counter

   If the new Item 958 equals XX/99 or XX/00 or if the MSA/SSI counter is greater than 4, the document must be sent to the SCO for keying.

2) For appointments with Item 450 = 1, 3 or 4 and effective 7/1/95 or later, correct the appointment as follows:

   Item 205  =  A__ or A__.C
   Item 210  =  Effective date of appointment
   Item 251  =  GSI/MOU
   Item 311  =  Use the CIRS Compendium Report number X98 to determine the new step number
   Item 330  =  See above information under New Anniversary Date
   Item 958  =  See above information under New Final Anniversary Date/MSA Counter

   If the new Item 958 equals XX/99 or XX/00 or if the MSA/SSI counter is greater than 4, the document must be sent to the SCO for keying.
3) For A57 and A58 transactions effective 7/1/95 or later, follow the same procedures as #2 above, using A57C or A58C.

4) For A68 or 565, Code 4 (prior record = 565, Code 7), a CRO must be posted because Items 311 and 958 are not open on these transactions. Follow procedures in #1 above, but using the effective date of the A68 or 565, code 4.

5) For separations effective 7/1/95 or later and appointment keyed after 10/6/95, submit the following to SCO Audits:

- CRO (following procedures in #1 above).

- S__C with total amount due in Item 810 based on the new step per CRO.
  
  If separation is effective 7/1/95, no CRO should be submitted. Key in S__C with new Item 810 based on new step.

- For A5_ or A__C, follow procedures in #2 above. If effective date is after 7/1/95 and the master was issued in lieu of settlement, no Item 810 is required.

6) MSAs/SSIs:

- If the employee’s anniversary date = 7/95 through 10/95, also submit an MSA transaction with the package.

- If the employee was reinstated (A58 or A57) and the anniversary date is the same month as the effective date of the A57 or A58, correct the step, anniversary date and Item 958 on the A57 or A58 as follows:

  ⇒ Step = 2 steps increase (except for Counselors and Student Services Professional - AR classifications, where step increases only one.)

  ⇒ Anniversary Date = Bump up one year (for all classifications)

  ⇒ Final Anniversary Date = Bump year up by one and decrease the counter by two (except for Counselors and Student Services Professionals-AR, for whom counter is decreased by only one and the final anniversary date remains unchanged).
7) For Pomona only: For employees who have Summer (effective 6/19/95) Extra Quarter Appointments that were not processed until after 10/6/95, complete the following and submit to SCO only if Item 330 does not equal MAX):

⇒ A52:

Item 215 = 06-19-95 = 7/95
Item 311 = Old step
Item 330 = “NONE”, “MAX” or “99/99”
Item 719 = 76
Item 815 = Difference between new salary and old salary.
Item 958 = “None-0”, “MAX-0”, or “99/99-0”

⇒ CRO:

Item 210 = 08-02-95
Item 215 = GSI/MOU 7-1-95
Item 311 = New step, using the CIRS Compendium Report number X98
Item 330 = See Pomona A52 instructions above
Item 815 = Asterisk
Item 958 = See Pomona A52 instructions above

⇒ S31 if hired for the summer only.
UNIT 3 SERVICE-BASED MAXIMUM SALARY LEVELS

Current employees may not advance in salary by reason of Service-based Salary Increases beyond the levels noted below.

<table>
<thead>
<tr>
<th>Instructional Faculty</th>
<th>Old Step</th>
<th>New Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant</td>
<td>3</td>
<td>5</td>
</tr>
<tr>
<td>Instructor</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>Professor</td>
<td>20</td>
<td>9</td>
</tr>
<tr>
<td>Designated Market Discipline Faculty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assistant Professor</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Associate Professor</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Professor</td>
<td>12</td>
<td>9</td>
</tr>
<tr>
<td>Vocational Instructor</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Junior</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Intermediate</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>Senior</td>
<td>20</td>
<td>9</td>
</tr>
<tr>
<td>Librarian</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Assistant</td>
<td>13</td>
<td>15</td>
</tr>
<tr>
<td>Senior Assistant</td>
<td>18</td>
<td>15</td>
</tr>
<tr>
<td>Librarian</td>
<td>20</td>
<td>9</td>
</tr>
</tbody>
</table>

(1) Each step indicates the maximum possible salary level attainable through the SSI process by employees at the specified rank within the classification. A Unit 3 employee at a low salary step who has either received 4 MSAs to date, or whose salary has been capped pursuant to a prior collective bargaining agreement, will remain at the lower step (assuming no change in class or rank). MSA/SSI counters for these individuals current register “0” and will not be adjusted in the Unit 3 employment history update now in progress.

(2) Please note that these limits apply to Service-based Salary Increases only. Salary advancement beyond the steps identified above, resulting from the award of performance increases, market increases or equity increases, are permissible.

(3) The salary structures for Counselor and Student Services Professional - AR classification remain unchanged; current MSA/SSI salary limits continue to apply.

(4) Temporary faculty (e.g., lecturers) continue to be eligible to request salary advancement pursuant to Article 12.9 of the faculty agreement.