Colleagues:

We are pleased to provide you with salary processing information for fiscal year 2015/16 salary programs for the bargaining units referenced below. We encourage campuses to review the attached information.

- Technical Letter HR/Salary 2015-12: California Federation of the Union of American Physicians and Dentists (UAPD – Unit 1)
- Technical Letter HR/Salary 2015-13: California State University Employees Union (CSUEU – Units 2, 5, 7, and 9)
- Technical Letter HR/Salary 2015-14: Academic Professionals of California (APC – Unit 4)
- Technical Letter HR/Salary 2015-15: State University Police Association (SUPA – Unit 8)

Please contact us if you have any questions or concerns.

Warm regards,

Evelyn and Theresa
Date:        June 24, 2015                                      Code: TECHNICAL LETTER
To: Human Resources Officers                                      HR/Salary 2015-13
                          Payroll Managers
From: Evelyn Nazario  Theresa Hines
      Associate Vice Chancellor  Director, HRPPDOS
      Human Resources Management & CO HR Services  Human Resources Management

Subject: FY 2015/16 Salary Program for California State University Employees Union (CSUEU – Units 2, 5, 7 and 9)

Summary:
We are pleased to provide information regarding salary program provisions agreed between the California State University and the California State University Employees Union for fiscal year 2015/16.

Action Item(s):
Implement salary provisions effective July 1, 2015.

Affected Employee Group(s)/Unit(s):
Eligible CSUEU (Units 2, 5, 7 and 9) employees

Details:
The August 26, 2014 Memorandum of Understanding (MOU) reached between the California State University (CSU) and the California State University Employees Union (CSUEU – Units 2, 5, 7, and 9), provide salary program provisions for FY 2015/16 as follows:

- Salary Program effective July 1, 2015:
  - 2% General Salary Increase
  - Salary range maximums will be increased by 2%

Detailed Information for Salary Provisions:
- General Salary Increase (GSI):
  - Effective July 1, 2015, the State Controller’s Office (SCO) will post a 2% GSI via mass update to the individual salary rates of bargaining unit members who are:
    - In active pay status as of July 1, 2015.
    - The increase shall be paid pro-rata for employees who are less than full time.
    - Hourly and per diem employees will receive the 2% increase on their base pay.
  - The SCO will post the GSI increases via GEN transaction during the mass update process scheduled to occur during the week of July 6th, 2015.
  - Base salary increases will be reflected in the July 2015 pay period warrant (July 31, 2015 issue date.)
  - Due to salary schedule (payscale) updates that will occur for the mass update process, and to preclude employment history transactions from adversely affecting this process, we are asking campuses to refrain from keying transactions into the PIMS database that are applicable to Units 2, 5, 7, and 9 employees, beginning the close of business, July 2, 2015, through the close of business July 10, 2015. Campuses will be able to resume keying transactions in the PIMS database that are applicable to Units 2, 5, 7, and 9 employees at the beginning of business on July 13, 2015.

Distribution:
CSU East Bay President                                    All Campus Vice Presidents
Cal Maritime Academy President                           Budget Officers
Vice Chancellor, Human Resources                          State Controller’s Office/PPSD
• Manual processing by the campuses may occur in the following situations:
  o GSI increases needed for other eligible employees in non-pay status as of July 1, 2015 (e.g., on leave), effective the date the employee returns to active pay status.
  o For retroactive GSI salary adjustments. Note that such adjustments may typically issue within five or more business days from the date the salary transaction is keyed.
  o For payments that are based upon a percentage that require recalculating the payment amounts of affected employees based upon the new salary in effect as a result of the GSI increase (e.g., stipend payments for temporary project coordination or lead work functions.)
  o For employees on Military Leave, receiving a Military Difference in Pay CSU salary supplement, who need to have the difference between the CSU salary and military pay recalculated based on the employee’s new salary rate. Please refer to HR 2014-06 for information on employees on Military Leave receiving a Military Difference in Pay.
  o To accurately reflect temporary appointment statuses in the employment history database on or before July 2, 2015.

• Please note that all newly hired CSUEU employees appointed effective on or after July 2, 2015, are not eligible for the increase unless the offer of appointment includes contingency language calling for the application of any negotiated salary increase.

• Employees with only temporary appointments with expiration dates of June 30, 2015, or earlier are not eligible to receive the GSI. CIRS Compendium Report F95, Cycle 1506 (available June 15, 2015, before the mass update is run), and Cycle 1507 (available July 13, 2015, after the mass update is run), lists employees with expired appointment expiration dates that are not eligible to receive the GSI. Separated temporary appointments with expiration dates of June 30, 2015, or earlier are not eligible to receive the GSI. Note however, that should an employee have additional active positions that are eligible for the GSI, the mass update will apply the GSI in all positions, including temporary appointment(s) with a June 30, 2015, or earlier expiration date if the temporary appointment has not been separated. CIRS Compendium Reports H50, Cycle 1507, and tab delimited file H80, Cycle 1507, (available July 10, 2015), lists employees that will receive the GSI in expired temporary appointments for campus reference and verification. It is important that temporary appointment statuses are accurately reflected in the employment history database on or before July 2, 2015.

• As a reminder, employees appointed effective on or after July 1, 2015, must be appointed under the new salary schedules

❖ Salary Ranges:
  • The salary range maximums for all CSUEU classifications will be increased by the General Salary Increase amount effective July 1, 2015.
  • The updated salary schedule will be available on the CSU web site (https://www.calstate.edu/HRAdm/SalarySchedule/salary.aspx) after the mass update has been completed on July 10, 2015.

❖ Mass Update Considerations:
  • When mass updates are run, all subsequent salary transactions are increased accordingly by the GSI.
  • When mass updates are run, a small number of payments may suspend from the automated process, (e.g., “out of service” records), resulting in further analysis; such payments may require additional time for manual processing by the SCO.

❖ Salary Increase Rounding Considerations:
  • The 2% GSI increase is subject to SCO rounding as a result of the mass update process. The SCO’s GSI mass update program rounds individual monthly based-on salary rates to the nearest whole dollar. The program adds fifty cents to the existing dollar amount and then truncates the cents in order to create a new whole dollar amount. Campuses are responsible for ensuring that manually processed GSI's are applied uniformly and consistently by using the same rounding logic. Actual salary rates are derived by the payroll system by multiplying the based-on salary rate by the time base fraction, which (based upon the
timebase fraction), could cause individual actual monthly salary rates to result in amounts with dollars and cents. Examples for processing the 2% GSI are provided as follows:

<table>
<thead>
<tr>
<th>Example #1:</th>
<th>Example #2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,275 \times 1.02 \quad \begin{array}{c} \text{=} \quad 3,340.50 \ + \quad 0.50 \ = \quad 3,341.00 \end{array}</td>
<td>$2,715 \times 1.02 \quad \begin{array}{c} \text{=} \quad 2,769.30 \ + \quad 0.50 \ = \quad 2,769.85 \end{array}</td>
</tr>
<tr>
<td>New monthly based-on rate = $3,341.00*</td>
<td>New monthly based-on rate = $2,769.00*</td>
</tr>
<tr>
<td>(*cents are truncated to create whole dollar amount)</td>
<td>(*cents are truncated to create whole dollar amount)</td>
</tr>
</tbody>
</table>

- The SCO’s GSI mass update program rounds individual hourly rates to two decimal places from the whole dollar amount. **Campuses are responsible for ensuring that manually processed GSI’s are applied uniformly and consistently by using the same rounding logic.** Examples for processing the 2% GSI for hourly rate classifications are provided as follows:

<table>
<thead>
<tr>
<th>Example #1:</th>
<th>Example #2:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15.00 \times 1.02 \quad \begin{array}{c} \text{=} \quad 15.30 \ \text{=} \quad 15.30 \end{array}</td>
<td>$15.85 \times 1.02 \quad \begin{array}{c} \text{=} \quad 16.167 \ \text{=} \quad 16.17 \end{array}</td>
</tr>
</tbody>
</table>

The following processing instructions are provided in **Attachment A**:

⇒ **Salary Increase Program I – General Salary Increase (GSI)**

Please direct questions regarding this technical letter as follows:

- PIMS processing instructions
- CMS Baseline processing instructions
- Collective bargaining aspects
- All other questions

Please direct questions regarding this technical letter as follows:

- **PIMS processing instructions**
- **CMS Baseline processing instructions**
- **Collective bargaining aspects**
- **All other questions**

This document is available on the Human Resources Management’s Web site at:
https://www.calstate.edu/HRAdm/memos.shtml

EN/DTH/vk

Attachment
### PROCESSING INSTRUCTIONS

**SALARY INCREASE PROGRAM**

I – General Salary Increase (GSI)

<table>
<thead>
<tr>
<th><strong>PAY SCALES IMPACT:</strong></th>
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</table>
| **Change Summary:**    | • Increase the salary range maximums by 2%  
                        | • Increase the individual salary rates of employees by 2%  
                        | • Increase will be applied pro-rata for employees who are less than full-time  
                        | • Hourly and per diem employees will receive the 2% increase on their base pay  |
| **Class Code(s):**     | All Unit 2, 5, 7 and 9 classifications  |
| **CBID:**              | R02, R05, R07 and R09  |
| **Pay Scales Effective Date:** | 07/01/2015  |
| **Date in Production:** | July 10, 2015  |
| **Pay Letter:**        | 2015-06  |

<table>
<thead>
<tr>
<th><strong>EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:</strong></th>
<th></th>
</tr>
</thead>
</table>
| **Processing Responsibility:**             | • The SCO will post increases into PIMS database via mass update.  
                                            | • Campuses are responsible for manually processing increases for eligible employees after the mass update is run or upon return from leave, as appropriate.  |
| **Processing Date(s):**                    | The week of July 6th, 2015  |
| **Effective Date:**                        | 07/01/2015  |
| **PIMS Transaction:**                      | GEN  |
| **Detailed Transaction Code (Item 719):**   | N/A  |
| **EH Remarks (Item 215):**                 | N/A  |
| **Pay Amount:**                            | • 2%, subject to SCO rounding as a result of the mass update process  |
| **Pay Form:**                              | Base salary increase  |
| **Lump Sum Earnings ID:**                  | N/A  |
| **Employees on Leave:**                    | • Increases are effective 07/01/15 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957 = 40) on 07/01/15.  
                                            | • 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 active pay status. Post the GEN transaction subsequent to (e.g., on top of) the reinstatement from leave transaction.  
                                            | • Refer to [HR 2014-06](#), for information on employees on Military Leave receiving a Military Difference in Pay.  |
| **Additional Information:**                 | • All employees who are active as of 07/01/15 will receive the GSI via GEN transaction.  
                                            | • Employees hired on or after 7/02/15 are not eligible for the GSI increase unless specifically stated in the appointment offer letter.  
                                            | • The SCO mass update program applies the GSIs to all positions if an employee has an active position. This includes employees with temporary appointments with expiration dates prior to 7/01/2015 if the appointment has not been separated. In order to assist campuses in identifying these employees, CIRS Compendium Report H50, Cycle |
1507 and tab delimited file H80, Cycle 1507, will be available July 10, 2015 for campus reference and verification. Campuses are responsible for ensuring that temporary appointment statuses are accurately reflected in the employment history database on or before July 2, 2015.

- In order to assist campuses in identifying employees whose appointment expiration date is June 30, 2015 or earlier, who will not receive the GSI, CIRS Compendium Report F95, Cycle 1506 (available June 15, 2015), and Cycle 1507 (available July 13, 2015) is provided for campus reference and verification.
- Docks, salary overpayments, and/or overtime payments may be impacted by the mass update. Campuses are responsible for making appropriate adjustments.

**CMS PROCESSING INFORMATION:**

**Workforce Administration:**
- Salary Schedule Load provided by HR Data Operations to CMS on June 11, 2015.
- Campus L15 file will be available for download on July 10, 2015, Cycle 1111. (The file will load the GSI (PAY/GEN) transactions processed by the SCO as well as corrections.)
- Campuses should process the GEN (L15 file) transaction, then use "correction-mode" to manually update all subsequent salary rows.
- Action Reason: PAY/GSI (GEN: Pay Rate Change/General Salary Increase)
- Effective Date: 07/01/15
- Union Code: R02, R05, R07 and R09
- Empl History Remarks: N/A

**Temporary Faculty:** N/A

**Benefits:** N/A

**Time and Labor:** N/A

**Absence Management:** N/A

**Labor Cost Distribution:** N/A

**Additional Instructions:**
- Process leaves as noted above using Action/ Reasons: STD/ND3-Short Term Disability with PAY/NDI, Catastrophic Leave or STD/ND4-Short Term Disability with PAY/NDI, New NDI Period Cat Leave as appropriate.