SETC/CSU Memorandum of Understanding

The parties acknowledge that the CFA and the CSU have reached an agreement on salaries for Fiscal Years 2015-2016 and 2016-2017 that triggers the provisions of Article 24.4(e) of their current Collective Bargaining Agreement (“CBA”).

In full and complete satisfaction of 24.4 (e) of the CBA, the CSU and SETC agree as follows:

1. On July 1, 2016, there shall be a 3% General Salary Increase for all unit members in active pay status, or on leave as of that date. (The previously-negotiated 2% GSI referenced in Article 24.4 (c) called for only a 2% increase effective July 1, 2016 and this 3% GSI will now supersede that 2% increase).

2. After the close of business on June 30, 2017, there shall be an additional 2% General Salary Increase for all unit members in active pay status, or on leave as of that date.

3. All salary range minima and maxima for all classifications will be increased on the effective dates stated above by the amount of these GSI increases.

4. Paragraph 24.4(c) of the ratified agreement shall be modified to be consistent with paragraphs 1 and 2 above (Attachment A).

5. The parties acknowledge that the 3% General Salary Increase effective 07/01/16 and 2% effective 06/30/17 are necessary to discharge in full the CSU’s obligations pursuant to Article 24.4(c). Pursuant to Article 24(4)(d) salaries for Fiscal Year 2017-2018 and 2018-2019 shall be subject to re-opener negotiation. Nothing in this MOU shall in any way prejudice either the ability of SETC to propose additional GSI and/or funded in-range-progression increases for 2017-2018 to match the terms of the CFA settlement for 2017-2018, or the ability of the CSU to resist such proposals.

6. SETC irrevocably waives its right to file a grievance, or take any other legal or administrative action, in respect to the enforcement of the terms of the Article 24.4 (e) other than to enforce the terms expressed in this MOU and the terms of the CBA as modified through Attachment A.

For CSU

[Signature]

J.A. Swarbrick
Associate Vice Chancellor

Dated: 5/25/2016

For SETC

[Signature]

Carl Kimberlain
Business Manager SETC-United

Dated: 5/25/2016
ARTICLE 24

SALARY

24.1 The salary schedule for bargaining unit employees shall be found in Appendix A and incorporated in this Agreement by reference.

Classifications will be grouped as specified in Appendix C. Between the minimum and maximum rates, there shall be an “open range” with no incremental salary steps. Pursuant to Appendix D-7, CSU and SETC-United agree to meet and discuss the viability of the implementation of a step process salary structure.

24.2 An employee shall be assigned to a rate within the salary range appropriate to his/her classification. New hires shall be assigned no less than the Minimum Rate appropriate to his/her classification.

24.3 The schedule of wages for approved and registered apprenticeships shall be as follows:

<table>
<thead>
<tr>
<th>a. Four (4) Year Apprenticeships</th>
<th>Percentage of Minimum Rate Of Journey Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 6 months</td>
<td>65%</td>
</tr>
<tr>
<td>2nd 6 months</td>
<td>69%</td>
</tr>
<tr>
<td>3rd 6 months</td>
<td>73%</td>
</tr>
<tr>
<td>4th 6 months</td>
<td>77%</td>
</tr>
<tr>
<td>5th 6 months</td>
<td>81%</td>
</tr>
<tr>
<td>6th 6 months</td>
<td>85%</td>
</tr>
<tr>
<td>7th 6 months</td>
<td>90%</td>
</tr>
<tr>
<td>8th 6 months</td>
<td>95%</td>
</tr>
</tbody>
</table>
b. **Three (3) Year Apprenticeships**

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 6 months</td>
<td>65%</td>
</tr>
<tr>
<td>2nd 6 months</td>
<td>70%</td>
</tr>
<tr>
<td>3rd 6 months</td>
<td>75%</td>
</tr>
<tr>
<td>4th 6 months</td>
<td>80%</td>
</tr>
<tr>
<td>5th 6 months</td>
<td>87%</td>
</tr>
<tr>
<td>6th 6 months</td>
<td>95%</td>
</tr>
</tbody>
</table>

c. **Two (2) Year Apprenticeships**

<table>
<thead>
<tr>
<th>Period</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st 6 months</td>
<td>65%</td>
</tr>
<tr>
<td>2nd 6 months</td>
<td>75%</td>
</tr>
<tr>
<td>3rd 6 months</td>
<td>85%</td>
</tr>
<tr>
<td>4th 6 months</td>
<td>95%</td>
</tr>
</tbody>
</table>

Provisions 24.5 through 24.9 below do not apply to employees in apprentice positions.

**General Salary Increase (GSI)**

24.4 (a) A General Salary Increase (GSI) is a percentage increase applied to the minimum and maximum rate on the new salary schedule for all bargaining unit classifications and to the individual salary rates of all bargaining unit members.

(b) For Fiscal year 2015/16, effective on and after July 1, 2015; (i) all bargaining unit members in active pay status, or on leave, up to the date of ratification by the CSU Board of Trustees of this Agreement, shall have their individual salary rate increased by 2%;
and (ii) Salary scale maximums and minimums for all classifications shall be increased by the amount of the General Salary Increase.

(c) For Fiscal year 2016/17,

(i) Effective on or after July 1, 2016, all bargaining unit members in active pay status or on leave as of that date shall have their individual salary rate increased by 3%;

(ii) Effective on or after June 30, 2017, all bargaining unit members in active pay status or on leave, as of that date shall have their individual salary rate increased by 2%;

(iii) Salary scale maximums and minimums for all classifications shall be increased by the amount of the General Salary Increases.

(d) The CSU or SETC-United may request salary and/or benefits reopener bargaining in either fiscal year 2017/2018 and/or 2018/2019 by providing written notice between January 1 and February 28 of the fiscal year for which bargaining is being requested.

"Me Too" Clause (Implemented by Memorandum of Understanding dated 5/25/2016)

(e) Pursuant to Article 24.4 CSU and SETC-United have agreed that there shall be General Salary Increases of 2% in Fiscal year 2015/2016 and 2% in Fiscal Year 2016/2017.

In the event that CSU and California Faculty Association ratify an Agreement that provides negotiated salary increases expressed, and/or calculated by CSU prior to the ratification of the Agreement, as greater than the estimated cost of providing a 2% compensation increase for Bargaining Unit 3 for 2015/2016, and/or a 2% compensation increase for Bargaining Unit 3 for 2016/2017; the SETC-United may elect to substitute the negotiated salary increases with the California Faculty Association with the General Salary Increases in Article 24.4 in each of the years of the Agreement where there is a difference between the negotiated salary increases.

This provision relates only to negotiated systemwide salary program increases (including but not limited to General Salary Increases; and/or Service Salary Increases; and/or Salary Recovery Programs for specific population of faculty and/or adjustments to salary ranges) in Article 31 of the CSU/CFA Collective Bargaining Agreement.
This Memorandum of Understanding does not extend to cover any provisions that may be negotiated with the California Faculty Association that:

- Provide for discretionary campus salary programs for increasing the rates of pay for individual faculty and/or groups of faculty not negotiated at the system level and applied systemwide under the terms of the Collective Bargaining Agreement.

- Provide for additional pools of Weighted Teaching Units to be made available for the purposes providing additional assigned time for faculty and/or groups of faculty under the terms of Article 20 (Workload) of the CSU/CFA Collective Bargaining Agreement.

**In-Range Progression**

24.5 An increase within a salary range that is not given for merit is referred to as an In-Range Progression. An In-Range Progression of at least 3% may be awarded when the president, the president’s designee, or appropriate administrator determines that an In-Range Progression should occur. Factors to be considered for granting such progressions shall include but not be limited to:

a. Long-term service

b. Retention

c. Equity;

d. Assigned application of enhanced skill(s)

e. Performance

f. Out-of-classification work that does not warrant a reclassification

g. Increased workload;

h. New lead work or new project coordination functions given to an employee on an on-going basis by an appropriate administrator where the classification
standard/series do not specifically list lead work as a typical duty or responsibility; and,

i. Other salary related criteria

24.6 A request for an in-range progression review may be submitted by the employee or manager. A management initiated request for an in-range progression may cover more than one employee. Employee initiated in range progression requests shall be submitted to the appropriate administrator before being forwarded to Human Resources. An employee shall not submit a request for an in-range progression prior to twelve (12) months following the receipt of a denial of a request for an in-range progression, or prior to 12 months from the effective date of an award of an in-range progression. If an administrator has not forwarded the request to Human Resources within thirty (30) days, the employee can file the request directly with Human Resources.

24.7 In-range progression review of employee requests shall be completed within ninety (90) days after the request is received in Human Resources. If an employee receives a denial of request for an In-range Progression under this Article, then the campus shall provide the employee with a written reason for the denial.

24.8 Each campus shall develop guidelines and procedures for an in-range progression consistent with this Article. Any changes to campus guidelines and procedures shall be noticed to SETC-United prior to implementation, and be subject to the meet and confer process where the union subsequently requests to meet and confer over the proposed changes.

24.9 The decision of the President, made in accordance with this provision, regarding the award of an in-range progression shall be final and shall not be subject to Article 9 (Grievance Procedure).

24.10 Funds for in-range progression may come from campus funds, and/or total settlement costs resulting from bargaining between the parties on salary matters.

**Performance-Based Salary Increase**

24.11 Campuses may award salary increases for meritorious performance from campus funds at any time. These salary increases may be in the form of permanent increases to salary rates or one-time bonuses. However, in no case may an employee’s salary rate exceed the maximum of the range on the salary schedule for the employee’s range and classification. Such awards are solely at the discretion of the President and shall not be subject to the Grievance Procedure.

**Extended Performance Increase (EPI)**
24.12 An Extended Performance Increase (EPI) is a permanent increase to an employee’s base salary. It is the intent of the parties to bargain implementation of this program for each year during the life of this agreement. In the event the parties agree to fund the program—the specific amounts of both the size of the EPI pool and individual amounts of awards along with any associated implementation issues—will be determined through the collective bargaining process. However, in no case shall an employee receive any EPI award which would place their salary over the maximum salary rate for their classification. All EPIs awarded prior to July 1, 2004 shall remain in effect.

24.13 **EPI Eligibility**

To be eligible for an EPI, the employee’s overall performance must have been satisfactory for the previous three (3) years, as evidenced by an overall performance evaluation rating of satisfactory or better, and have no disciplinary actions received in the past three (3) years which remain in the personnel file.

In addition to these performance requirements, the employee must have completed an anniversary of continuous CSU employment at a fifty (50) percent or more timebase at the employee’s 3rd, 6th, 10th, 15th, 20th, 25th, 30th, 35th, 40th, etc. years) of qualifying pay periods and qualifying months of service at the CSU, as defined in Articles 16, 18, and 19 and below in this provision. For the purposes of this provision, any month in which the employee was not in pay status for at least eleven (11) days in the pay period is considered a break in the continuous service requirement.

A year of required service for a ten (10) month or 10/12 employee is the completion of twelve (12) pay periods and ten (10) qualifying months of service. A year of required service for an eleven (11) month or 11/12 employee is the completion of twelve (12) pay periods and eleven (11) qualifying months of service. A year of required service for a twelve (12) month employee is the completion of twelve (12) pay periods and twelve (12) qualifying months of service.

Employees who believe they are eligible for an EPI based on service at another campus shall notify in writing the campus Human Resources Office of such service.

24.14 Upon determination by the appropriate administrator, the EPI shall be authorized in writing. Upon request of an employee denied an EPI, a meeting shall be arranged within
seven (7) days of the request with a representative of the President for the purpose of reviewing such a denial. The employee may be represented at this meeting. The denial of an EPI shall not be subject to Article 9, Grievance Procedure. An employee who meets the service requirements for an EPI in accordance with provision 24.8 and is denied an EPI shall remain eligible for reconsideration on an annual basis, if EPIs are funded in subsequent years.

Classification Changes

24.15 When an employee moves to a classification in a lower salary group, the appropriate rate in the salary range shall be determined by the President, except that in no case shall the new salary exceed the rate received in the higher classification or the maximum rate of the lower classification. Determination of the appropriate rate in such cases shall be made by using the same criteria as would be used for an initial appointment to that classification and by considering past PSIs, if any.

24.16 When an employee moves to a classification within a salary group, the appropriate rate in the new classification shall be determined by the President. There is no requirement to increase the employee’s rate of pay unless it is below the minimum of the new classification, in which case it must be increased to at least the minimum of the new classification.

24.17 When an employee moves without a break in service to a classification in a higher salary group, the appropriate rate in the salary range shall be determined by the President. The new rate in the higher salary group shall be at least five (5) percent higher than the employee’s previous rate, except that the new rate may not exceed the maximum of the range.

Payment Above the Maximum

24.18 A payment above the maximum of the salary range for a class may be granted by the President when an employee moves to a class with a lower salary range.
24.19 If a payment above the maximum is granted, the employee shall retain either the salary currently being paid or a salary twenty-five (25) percent above the maximum salary of the lower class, whichever is less. The employee shall remain at that salary rate until the maximum salary of the lower class equals or exceeds the payment above the maximum rate or until the authorized time period for maintaining the payment above the maximum rate expires, whichever occurs first.

24.20 During the period of time an employee's salary remains above the maximum salary for the class, the employee shall not receive further salary increases, including GSIs or PSIs, except in cases of promotion.

24.21 A payment above the maximum shall not exceed twenty-five (25) percent above the maximum of the salary range of the class to which the employee is moving. An employee may retain a payment above the maximum for up to five (5) years.

24.22 Payment above maximum shall not be authorized for an employee when:

a. an employee, for personal convenience, requests voluntary demotion;

b. an employee is demoted for cause other than for medical.

24.23 An employee who was compensated at a salary rate above the maximum prior to a permanent separation will not be entitled to a payment above the maximum upon his/her return to work. Also, the authorization for a payment above the maximum shall be canceled if the employee refuses an offer of appointment to a position at the campus in a class at a salary level equivalent to the original classes from which the employee was moved.

**Cost Savings/Staffing Committee**

24.24 A cost savings/staffing committee shall include an equal number of employee representatives and management/supervisory representatives. The cost savings/staffing committee shall meet no less than twice per year. The cost savings/staffing committee shall submit recommendations to the appropriate administrator and president for
economy measures and staffing issues. The committee may also recommend specific uses for any cost savings. The committee may choose to discuss economies associated with training, maintenance and repair, new technologies, and funding opportunities related to bargaining unit work.

Shift Differential

24.25 There are three (3) shifts: day, swing, and graveyard. The day shift includes the hours between 6:00 a.m. to 6:00 p.m. The swing shift includes the hours between 6:00 p.m. and midnight. The graveyard shift includes the hours between midnight and 6:00 a.m.

24.26 Employees who work four (4) or more hours in the swing shift shall be paid a shift differential of one dollar and thirty cents ($1.30) per hour for the employee's entire shift.

24.27 Employees who work four (4) or more hours in the graveyard shift shall be paid a shift differential of two dollars and thirty cents ($2.30) per hour for the employee's entire shift.

24.28 To receive a shift differential, an employee must be assigned hours of work of which at least four (4) hours are within a regularly scheduled swing or graveyard shift.

Sunday Pay Differential

24.29 Employees who are regularly scheduled to work on Sundays shall receive a differential equal to the swing shift differential. The Sunday pay differential shall not be added to or combined with any other pay differential or premium pay.

Asbestos and Hazardous Material Handling Pay Differential

24.30 Whenever an employee is assigned to perform any asbestos-related or hazardous material handling duties including but not limited to removing or repairing asbestos lagging, performing any asbestos abatement or cleaning up asbestos, he/she shall be paid an asbestos pay differential of three dollars ($3.00) per hour for the amount of time spent performing such work. “Hazardous material handling duties” as used in this provision
refers to work that a) requires by law the employee be trained and certified to work with the specified material, and b) requires the employee use protective equipment and extra precautions to ensure his/her safety and health.

**Asbestos Training and Hazardous Material Handling Certification Allowance**

24.31 Employees who have been required by the CSU to undergo training in either asbestos abatement and handling or in hazardous materials handling as defined in 24.30 shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the demonstrated completion of such training and the certification, if required, for the performance of such work.

24.32 Employees who have been required by the CSU to undergo training in order to maintain or renew the certifications described in provision 24.31 above shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the demonstrated completion of such training and the subsequent renewal of such certification.

24.33 For the purpose of provisions 24.31 and 24.32 above, training in either asbestos abatement and handling or in hazardous materials handling must be either EPA-certified or CAL-OSHA approved.

**Backflow Testing and Water Treatment Operator Allowances**

24.34 Employees who are required by the CSU to obtain either a backflow testing license or the appropriate water treatment operator certificate shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the employee has demonstrated that he/she has obtained the license or certificate.

24.35 Employees who are required by the CSU to renew their license or certificate described in provision 24.34 above, shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the employee has demonstrated that he/she has renewed the license or certificate.
Welding Certification

24.36 Employees who are required by the CSU to obtain a Welding Certification shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the employee has demonstrated that he/she has obtained the license or certificate.

24.37 Employees who are required by the CSU to renew their license or certificate described in provision 24.36 above, shall be paid an allowance of two hundred and fifty dollars ($250). Payment shall be made within thirty (30) days after the employee has demonstrated that he/she has renewed the license or certificate.

High Voltage Stipend

24.38 Qualified high voltage electricians approved by the Director of Plant Operations or appropriate administrator shall be paid an annual stipend of four hundred and fifty dollars ($450.00).

24.39 A qualified high voltage electrician for the purposes of this Agreement is a person who has:

a. a minimum of two years of electrical training and experience with high voltage electrical infrastructure designed to operate over 600 volts;

b. demonstrated by performance familiarity with the work to be performed and the hazards involved; and

c. successfully completed the following training by an authorized OSHA Training Institute (OTI) Education Center:

1. Core Safety Training;

2. Advanced Electrical Safety and Lockout/Tagout training; and

3. Hazardous Electrical High Voltage training.
Payment shall be made within thirty (30) days after the CSU/appropriate administrator Director of Plant Operations or Appropriate Administrator has evaluated and determined that the employee has demonstrated that he/she is a qualified high voltage electrician.

The decision whether to request employees to obtain certification and training as a qualified high voltage electrician is at the sole discretion of the CSU and is thus neither grievable nor arbitrable. Where the CSU requires such certification and training, the CSU will pay for the OTI training.

**Critical Skills Bonus Plan**

An employee shall be paid an initial one-time bonus of five hundred dollars ($500) when he/she is asked by the Director of Plant Operations or the Appropriate Administrator to complete and obtain one of the following recognized certifications:

- Certified Electrician
- Certified Building Operator
- Certified Steam Operator/Universal Steam Certification
- ASE Master Technician status at Automobile, Medium-Heavy Truck, School Bus or Transit Bus.

The certification must be from a CSU preapproved training program to be determined by the parties, such as the following:

a. Certified Electrician – OSHA Training Institute or another agency preapproved by the CSU

b. Certified Building Operator – Building Operator Certification or another agency preapproved by the CSU

c. Certified Steam Operator/Universal Steam Certification

d. ASE Master Technician status at Automobile, Medium-Heavy Truck, School Bus or Transit Bus – National Institute for Automotive Service Excellence

The decision whether to request employees to obtain or renew such a certification is at the sole discretion of the CSU and is thus neither grievable nor arbitrable. Where the CSU requires such certification and training, the CSU will pay for the training.

Payment for the initial certification and any and all renewal certifications thereafter shall be made within thirty (30) days after the Director of Plant Operations or appropriate
administrator has evaluated and determined that the employee received or renewed the certification from a preapproved training program.

24.45 Employees who are required by the CSU to renew a certification as described in provision 24.42, above, shall be paid a bonus of two hundred and fifty dollars ($250).

Emergency Pay

24.46 When the President determines it is necessary to close the campus because of an emergency situation or condition and other employees are sent home on paid administrative leave, an employee that volunteers, is asked or is assigned by the appropriate administrator to continue working at the campus where the emergency exists, shall receive "Emergency Pay."

a. The term "emergency" as used in this provision means a sudden, unexpected happening; an unforeseen occurrence or condition requiring immediate action, including, but not limited to a natural disaster, act of terrorism, or threat to campus health, safety or property.

b. "Emergency Pay" is compensation for the hours worked by the designated employees during their normal shift while the campus is closed during the administrative leave period.

c. "Emergency Pay" is a premium payment (exclusive of the employee’s regular pay), paid at one times the employee’s straight time rate of pay for each hour worked during the emergency when the campus is on administrative leave. At the discretion of management, emergency pay may be awarded as cash or CTO. If paid as cash, the payment must be paid at the employee’s straight time rate. If credited as CTO, the hours credited must be on a straight time basis.

d. Time worked while receiving "Emergency Pay" are regular hours worked during their normal shift within the forty (40) hour workweek period.

e. The emergency pay premium will also be paid for any hours worked on an overtime basis during the emergency when the campus is on administrative leave.

f. Premium pay received as emergency pay for hours worked during the employee’s regular shift and when on an overtime basis shall be includable compensation for the purposes of determining the regular rate of pay for the payment of overtime.
g. Employees on paid time off (i.e., Sick Leave, Vacation, Personal Holiday) when the emergency is declared who are not called back to work shall remain on such paid time off status and will not receive administrative leave pay or emergency pay.

**10/12 and 11/12 Pay Plans**

24.47 Probationary and permanent employees shall be eligible to request participation in the 10/12 or 11/12 pay plan.

24.48 The assignment of an eligible employee into the 10/12 or 11/12 pay plan and the yearly schedule shall be by mutual agreement of the appropriate administrator and the employee. Final approval by the President is required prior to employee participation in the 10/12 or 11/12 pay plan.

24.49 Withdrawal from participation in the 10/12 or 11/12 pay plan and return to a twelve (12) month annual work year may be requested by an employee in accordance with campus procedures. When operational needs require, the appropriate administrator may request an employee on the 10/12 or 11/12 work plan return to a twelve (12) month annual work year. In both instances, the employee and appropriate administrator shall attempt to reach mutual agreement regarding the request. In the absence of mutual agreement, the President shall make a final determination, provided that an employee be given at least twelve (12) months notice of his/her return to a twelve (12) month annual work year.

24.50 An employee participating in the 10/12 or 11/12 pay plan shall receive his/her (10-month or 11-month) annual salary in twelve (12) salary warrants and appropriate benefits on a twelve (12) month basis.

24.51 An employee moving from a twelve (12) month status to the 10/12 or 11/12 pay plan shall retain his/her salary anniversary date.

24.52 An employee on the 10/12 or 11/12 pay plan shall accrue sick leave, vacation, and seniority during the full twelve (12) month period.

24.53 Ten (10) months or eleven (11) months of service by an employee in the 10/12 or 11/12 pay plan shall constitute one (1) year of service for employment status matters, EPI and retirement.
24.54 Approval and denial of employee requests by the President as specified in provisions 24.47 through 24.53 shall not be subject to Article 9, Grievance Procedure.