

LABOR AND EMPLOYEE RELATIONS



COMMUNIQUÉ

AUGUST 28, 2023

UPDATE ON CONTRACT NEGOTIATIONS WITH UNIONS

The California State University (CSU) has been negotiating with unions representing faculty and staff since the spring of this year. The CSU is engaged in “full contract bargaining” with Teamsters Local 2010 and United Auto Workers. The collective bargaining agreement (CBA) with the Teamsters expired on June 30, 2023, and the CBA with the United Auto Workers will expire on September 30, 2023. With the other unions, the CSU is engaged in “reopener bargaining” over specified contract articles, such as salaries. Generally, the current terms and conditions of employment of all CBAs remain in effect during the negotiating process.

The CSU remains at the bargaining table with all unions, with the exception of the California Faculty Association (CFA), which declared impasse after only four bargaining sessions. The following summary of the negotiations with the CFA provides a high-level overview of key disputed issues.

CFA demanded a 12% General Salary Increase in the current fiscal year. In response, the CSU offered a 12% increase over three years starting with a 4% General Salary Increase for FY 2023-24. CFA refused to consider a three-year salary increase proposal, and reiterated its demand of a 12% General Salary Increase for FY 2023-24. In response, the CSU offered a 5% General Salary Increase for the current fiscal year. CFA rejected this offer and promptly declared impasse. The next step is for the parties to meet with a neutral, state-appointed mediator who will attempt to help the parties reach agreement.

CFA’s salary and benefit demands for just the current fiscal year total approximately \$380 million. To put that amount in perspective, this demand exceeds by more than \$150 million the total amount of increased ongoing funding available to the CSU in the recently passed state budget (\$227 million), and it is higher than the entire operating budgets of 15 of our 23 universities. (This demand does not include the more than \$50 million in additional costs that the CSU will have to pay in this fiscal year alone for increased employee healthcare premiums.) Agreeing to a 12% General Salary Increase in this fiscal year would force the CSU to make difficult and painful decisions about how to reallocate its already limited financial resources. (See chart comparing the costs of salary and benefit proposals at the bottom of this Communiqué.)

In addition to its salary demand, CFA seeks modifications to other articles in the CBA that come with significant costs to the university. These demands also utterly fail to recognize CSU’s ongoing commitment to these issues, and progress made to date.

For example:

- **Paid Parental Leave.** CFA is demanding 16 weeks of paid parental leave, which is 10 weeks more than what is available today. However, the CSU's current benefit is more generous than what most other institutions offer because the CSU offers its employees paid parental leave *immediately* upon employment (no waiting period and no minimum number of work hours required) at *no cost to the employee*. CSU faculty may also access more paid leave time with disability insurance, vacation and sick leave. If the CSU were to agree to CFA's demand, the cost would be approximately \$6.3 million for faculty alone — and more than \$20 million if offered to all employee groups.
- **Gender-Neutral Restrooms.** CFA is demanding the CSU provide at *least* one single-occupant gender-neutral restroom in each campus building. CSU campuses currently offer many gender-neutral restrooms in different configurations, and the system remains committed to increasing the number of these restrooms through new and remodel construction projects. Due to the age of buildings, plumbing and other facility issues, it typically costs \$100,000-\$750,000 to retrofit one restroom. Retrofitting one single-occupant gender-neutral restroom in *each* campus building is not reasonable at this time.
- **Lactation Space.** CFA is demanding "adequate" permanent lactation space in each campus building. The CSU currently provides lactation space in compliance with state law (updated in 2020) and also reasonably accommodates individuals who have specific needs that are not met by existing lactation spaces. The CSU continues to provide additional and improved lactation spaces on campuses. However, building a permanent lactation space in *each* campus building would be cost-prohibitive at this time.

The CSU is committed to fair and reasonable compensation for faculty – and all its employees – and will agree to increasing compensation (a recurring cost) so long as it can do so in a fiscally responsible and sustainable way. Above all, the CSU is committed to bargaining in good faith with CFA and the other unions.

To stay current on our updates (or to read prior bargaining updates), please visit the [Labor and Employee Relations website](#).

See charts comparing the costs of salary and benefit proposals on the next page of this Communiqué.

CSU AND CFA SALARY AND BENEFIT PROPOSALS FOR FY 2023-24

ISSUE	CSU PROPOSAL	ADDED COST (EST.)	CFA PROPOSAL	ADDED COST (EST.)
General Salary Increase (GSI)	5%	\$132,355,000	12%	\$317,652,000
Salary Range A & B	Range minimums to increase by 5% (through the GSI)	N/A	Increase range minimums by \$5,000 to \$10,000, (plus 12% included in GSI)	\$42,481,200
Flex Cash for faculty who opt out of CSU's health insurance programs	Continue to offer existing Flex Cash benefit	N/A	Increase Flex Cash amount	\$11,303,250
Life/AD&D Insurance	Continue to offer existing benefit	N/A	Increase employer-paid life insurance	\$6,686,490
Department Chair Pay	Increase minimums	\$1,477,888	Increase minimums	\$1,477,888
Cost Comparison		\$133,832,888		\$379,600,828

ADDITIONAL CSU FINANCIAL COMMITMENTS FOR CFA MEMBERS

CSU COMMITMENTS	ADDED COST (EST.)
FY 2023-24 healthcare premium increase for faculty	\$23,400,000
Faculty Service Salary Increase (SSI) program for FY 2023-24	\$26,471,000
Additional New Spending	\$49,871,000