



COMMUNIQUÉ

AUGUST 2, 2021

UPDATE ON CSU AND CALIFORNIA FACULTY ASSOCIATION (CFA) BARGAINING

On July 27 and 30, the California State University (CSU) and the California Faculty Association (CFA - Unit 3) representatives met to continue their negotiations over a successor agreement. While the collective bargaining agreement was set to expire on June 30, the parties mutually agreed to extend it until August 30, 2021. These sessions were the first to occur since enactment of the final State Budget for Fiscal Year 2021-22.

CSU representatives provided a counterproposal to CFA's May 14 economic proposal, in which the union proposed General Salary Increases of 4% to occur retroactive to July 1, 2020, 4% to occur retroactively to July 1, 2021, and 4% to occur on July 1, 2022. The cumulative impact on this year's budget would be an 8% General Salary Increase which equals approximately \$180 million of ongoing new expense. CFA also proposed an additional 2.65% Service Salary Increases in both 2021-22 and 2022-23, as well as an additional 2.65% Post Promotion Increases in these same years. Moreover, CFA requested \$20 million to fund increases under a salary equity program. In total, CFA's proposal would cost an estimated \$361 million in new, ongoing funds by the end of Fiscal Year 2022-23.

California's final State Budget for 2021-22 restores prior cuts to the CSU and provides new one-time and ongoing funding that will allow the university to maintain quality and continue to invest in student success initiatives and closing the equity gap, without increasing student tuition. However, state legislators and Governor Newsom did not specifically allocate any funding for employee compensation increases. As a result, funding the CSU's proposed salary increase will require reallocating funds from other dedicated purposes.

On July 27, despite no additional funding allocated for compensation increases, CSU proposed a 2% General Salary Increase retroactive to July 1, 2021, with a provision to reopen salary negotiations for 2022-23 and 2023-24. The cost of CSU's proposal would be \$45 million on an annual, ongoing basis.

CSU's proposal to increase faculty salaries represents its commitment to and recognition of the contributions of faculty, even though it means redirecting funds from other university priorities in the current year. The Board of Trustees will begin deliberations later this year to prepare its request for state support in the FY 2022-23 State Budget, including a request for the state to fund future employee compensation increases.

CSU also made proposals on parking and the Faculty Early Retirement Program (FERP). CSU proposed the fees that faculty pay for parking be equal to the parking fees paid by students on each campus. CSU also proposed shortening FERP participation to enable campuses to hire new full-time tenure track faculty under the university's current hiring practices, which emphasize faculty diversity.

On July 30, CFA rejected CSU's proposals on salary increases, parking and FERP. CSU will continue negotiations with CFA representatives over a successor contract on August 10.