

LABOR & EMPLOYEE RELATIONS



COMMUNIQUÉ

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CSU WANTS TO CONTINUE NEGOTIATING BUT CFA REQUESTS PERB TO DETERMINE PARTIES HAVE REACHED IMPASSE

After the September 30 bargaining session, the California Faculty Association (CFA) notified the California Public Employment Relations Board (PERB) that its negotiators believe they have reached an impasse with California State University's (CSU) negotiators over the terms and conditions of a successor contract. The CSU intends to inform PERB that there is room for both sides to find areas of agreement and that the parties are not at impasse.

The CSU is very disappointed CFA wants to leave the bargaining table. In the September 30 meeting, CSU's negotiators, in response to a CFA proposal, proposed a significant enhancement for additional security of employment in the form of five-year appointments for many lecturers. In fact, CSU had more proposals to make. However CFA's negotiators verbally rejected this enhanced benefit for lecturers without making a counter-proposal. Instead, CFA declared its intent to file for impasse knowing that CSU intended to make additional proposals.

If PERB determines an impasse exists, it will appoint a mediator to assist in the negotiation discussions. PERB's dispute resolution process is slow and cumbersome. It could take months for mediation to commence. CSU believes good faith negotiations would be the most expeditious path forward to reach agreement on all the open issues.

To date, the parties had reached tentative agreement on 20 articles. Many of CFA's initial proposals appear to also be their final proposal. After having dialogue about CFA's proposals, the CSU has tried to come back with meaningful proposals but has been rebuffed.

Although the parties are still far apart over the issue of general salary increases for faculty, the CSU has committed to salary increases and feels that more time bargaining over this economic issue will be beneficial.

CSU has proposed an extension to the current contract which expired on September 30. There has been no response by CFA on an extension. Although the agreement is expired, the current terms and conditions of the expired Collective Bargaining Agreement (CBA) remain in effect.

We expect PERB to determine whether or not an impasse exists within two weeks. To read prior bargaining updates, visit the <u>Labor and Employee Relations website</u>.

BACKGROUND ON ECONOMIC PROPOSALS

In May, CFA 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. 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. On July 30, CFA rejected CSU's proposal and re-submitted its original proposal for compensation increases, without modification. On September 24, CSU re-submitted its original economic proposal.