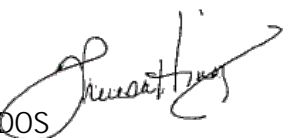


Date: August 3, 2016

Code: TECHNICAL LETTER
HR/Salary 2016-15
HR/Salary 2016-16
HR/Salary 2016-17

To: Human Resources Officers
Payroll Managers

From: Evelyn Nazario 
Associate Vice Chancellor
Human Resources Management

Theresa Hines 
Director, HR/PPDOS
Human Resources Management

Subject: FY 2016/17 Salary Processing Information

Colleagues:

We are pleased to provide you with salary processing information for fiscal year 2016/17 salary programs for the bargaining units referenced below:

- Technical Letter [HR/Salary 2016-15](#) – Union of American Physicians and Dentists (UAPD – Unit 1)
- Technical Letter [HR/Salary 2016-16](#) – Academic Professionals of California (APC – Unit 4)
- Technical Letter [HR/Salary 2016-17](#) – State Employees Trades Council (SETC – Unit 6)

We appreciate your reviewing and forwarding the attached memorandum to the appropriate personnel on your campus.

Please contact us if you have any questions or concerns.

Warm regards,

Evelyn and Theresa

Date: August 3, 2016

Code: TECHNICAL LETTER
HR/Salary 2016-17

To: Human Resources Officers
Payroll Managers

From: Evelyn Nazario 
Associate Vice Chancellor
Human Resources Management

Theresa Hines 
Director, HRPDQS
Human Resources Management

Subject: FY 2016/17 Salary Program for the State Employees Trades Council (SETC – Unit 6) Employees

Summary:

We are pleased to provide information regarding salary program provisions reached between the California State University and the State Employees Trades Council for fiscal year 2016/17.

Action Item(s):

Implement general salary increase provisions effective July 1, 2016.

Affected Employee Group(s)/Unit(s):

Eligible SETC (Unit 6) employees

Details:

The Memorandum of Understanding (MOU) reached between the California State University (CSU) and the State Employees Trades Council (SETC – Unit 6), on May 25, 2016, provides salary program provisions for FY 2016/17 as follows:

- Salary Program effective July 1, 2016:
 - 3% General Salary Increase
 - Salary range minimums and maximums will be increased by 3%
- Salary Program effective June 30, 2017:
 - 2% General Salary Increase
 - Salary range minimums and maximums will be increased by 2%
 - Instructions will be provided in a future technical letter communication

Detailed Information for Salary Provisions:

- ❖ General Salary Increase (GSI):
 - Effective July 1, 2016, the State Controller's Office (SCO) will post a 3% GSI via mass update to the individual salary rates of bargaining unit members who are:
 - In active pay status, or on leave, as of July 1, 2016.
 - The increase shall be paid pro-rata for employees who are less than full time.
 - Hourly employees will receive the 3% increase on their base pay.
 - The SCO will post the GSI increase via GEN transaction during the mass update process scheduled to occur August 11-17, 2016.
 - Base salary increases will be reflected in the August 2016 pay period warrant (September 1, 2016 issue date.)

Distribution:

CSU East Bay President
Cal Maritime Academy President
Vice Chancellor, Human Resources

All Campus Vice Presidents
Budget Officers
State Controller's Office/PPSD

- 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 Unit 6 employees, beginning the close of business, August 11, 2016, through the close of business, August 17, 2016. Campuses will be able to resume keying transactions in the PIMS database that are applicable to Unit 6 employees at the beginning of business on August 18, 2016.
 - Manual processing by the campuses may occur in the following situations:
 - GSI increases needed for other eligible employees in non-pay status as of July 1, 2016 (e.g., on leave,) effective the date the employee returns to active pay status.
 - For retroactive GSI salary adjustments. Note that such adjustments typically issue within five or more business days from the date the salary transaction is keyed.
 - 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 2016-03](#) for information on employees on Military leave receiving a Military Difference in Pay.
 - To accurately reflect temporary appointment statuses in the employment history database on or before August 11, 2016, preceding the scheduled mass update.
 - Employees appointed between July 1, 2016, and the date of the mass update, whose salary rate falls below the new salary range minimum after the application of the GSI, will have their salary rate increased to the new salary range minimum by fixing the original "AXX" record (the SCO will process via AxxE) and keying the appointment to the new minimum salary rate. CIRS Compendium Report L16, Cycle 1608 (available August 22, 2016) will list employees whose salaries fall below the new salary range minimum.
 - Employees appointed after the mass update must be appointed under the new salary schedules.
 - Please note that bargaining unit members appointed at the campus on or after July 2, 2016, are not eligible to receive the GSI unless the offer of appointment includes contingency language calling for the application of any negotiated increase.
 - Employees with only temporary appointments with expiration dates of June 30, 2016, or earlier are not eligible to receive the GSI. CIRS Compendium Report G06, Cycle 1607, (available July 27, 2016, before the mass update is run) and Cycle 1608 (available August 17, 2016, after the mass update is run) lists employees with expired appointment expiration dates that will not receive the GSI.
 - Separated temporary appointments with expiration dates of June 30, 2016, or earlier will not 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, 2016, or earlier expiration date if the temporary appointment has not been separated. CIRS Compendium Reports H50, Cycle 1608, and tab delimited file H80, Cycle 1608 (available August 17, 2016) 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 August 11, 2016.
- ❖ Salary Ranges:
- The salary range minimums and maximums for all SETC classifications will be increased by the General Salary Increase amount effective July 1, 2016.
 - The updated salary schedule will be available on the CSU web site (<https://www.calstate.edu/HRAdm/SalarySchedule/salary.aspx>) on August 17, 2016.
- ❖ Mass Update Considerations:
- When mass updates are run, all subsequent salary transactions are increased accordingly by the GSI.
 - When mass updates are run, payments may suspend from the automated process (e.g., out of service" records), requiring further analysis; such payments may require additional time for manual processing by the SCO.

❖ Salary Increase Rounding Considerations:

- The 3% 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 3% GSI are provided as follows:

<p>Example #1: $\\$4,721 \times 1.03 = \\$4,862.63$ $+ \quad \underline{\quad .50}$ $= \\$4,863.13$ New monthly based-on rate = \$4,863.00* (*cents are truncated to create whole dollar amount)</p>	<p>Example #2: $\\$3,880 \times 1.03 = \\$3,996.40$ $+ \quad \underline{\quad .50}$ $= \\$3,996.90$ New monthly based-on rate = \$3,996.00* (*cents are truncated to create whole dollar amount)</p>
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- 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 3% GSI for hourly rate classifications are provided as follows:

<p>Example #1: $\\$10.00 \times 1.03 = \\10.30 $= \\$10.30$</p>	<p>Example #2: $\\$11.85 \times 1.03 = \\12.205 $= \\$12.21$</p>
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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 | CSU Audits representative at the SCO |
| ➤ CMS Baseline processing instructions | CMS liaison for Systemwide HR at (562) 951-4418 |
| ➤ Collective bargaining aspects | Labor Relations at (562) 951-4400 |
| ➤ All other questions | Human Resources Management at (562) 951-4411 |

This document is available on the Human Resources CSYou coded memoranda web site:
<https://csyou.calstate.edu/Policies/HRPolicies/Forms/Default.aspx>.

EN/DTH/vk

Attachment

PROCESSING INSTRUCTIONS

SALARY INCREASE PROGRAM I – General Salary Increase (GSI)

PAY SCALES IMPACT:	
Change Summary:	<ul style="list-style-type: none"> • Increase the salary range minimums and maximums by 3% • Increase the individual salary rates of employees by 3% • Increases will be applied pro-rata for employees who are less than full-time
Class Code(s):	All Unit 6 classifications
CBID:	R06
Pay Scales Effective Date:	07/01/16
Date in Production:	August 16, 2016
Pay Letter:	2016-05

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	<ul style="list-style-type: none"> • 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):	August 11-17, 2016
Effective Date:	07/01/16
PIMS Transaction:	GEN
Detailed Transaction Code (Item 719):	N/A
EH Remarks (Item 215):	N/A
Pay Amount:	3%, 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:	<ul style="list-style-type: none"> • Increases are effective 07/01/16 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957 = 40) on 07/01/16. • 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 2016-03 for information on employees on Military Leave receiving a Military Difference in Pay.
Additional Information:	<ul style="list-style-type: none"> • All employees who are active as of 07/01/16 will receive the GSI via GEN transaction. • The GSI will be applied pro-rata for employees who are less than full-time. • Post the GEN transaction subsequent to (e.g., on top of) the return from inactive payroll status or reappointment transaction, as appropriate. • In order to assist campuses in identifying employees whose appointment expiration date is June 30, 2016 or earlier, <u>who will not receive the GSI</u>, CIRS Compendium Report G06, Cycle 1607, (available July 27, 2016, before the mass update is run) and Cycle 1608 (available August 17, 2016, after the mass update is run) is provided for campus reference and verification.

	<ul style="list-style-type: none"> • The SCO mass update program applies the GSI to all positions if an employee has an active position. This includes employees with temporary appointments with expiration dates prior to 7/01/16 <u>if the appointment has not been separated</u>. In order to assist campuses in identifying these employees, CIRS Compendium Report H50, Cycle 1608 and tab delimited file H80, Cycle 1608 will be available August 17, 2016 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 August 11, 2016. • Docks, salary overpayments, and/or overtime payments may be impacted by the mass update. Campuses are responsible for making appropriate adjustments.
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CMS PROCESSING INFORMATION:	
Workforce Administration:	<ul style="list-style-type: none"> • Salary Schedule Load provided by HR Data Operations to CMS on August 2, 2016. • Campus L15 file will be available for download on August 17, 2016, after 9:00 a.m., Cycle 5555. (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) <ul style="list-style-type: none"> • Effective Date: 07/01/16 • Union Code: R06 • 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.