

Date: June 28, 2016

Code: TECHNICAL LETTER  
HR/Salary 2016-09

To: AVPs/Deans of Faculty  
Human Resources Officers  
Payroll Managers and/or Campus Designees Responsible for Employee Payroll Processing

From: Evelyn Nazario  
Associate Vice Chancellor  
Human Resources Management

Margaret Merryfield  
Assistant Vice Chancellor  
Academic Human Resources

Subject: FY 2015/16 and 2016/17 Salary Program for California Faculty Association Employees (Unit 3)

Colleagues:

We are pleased to provide you with information regarding salary program provisions pursuant to the agreement reached between the California Faculty Association and the Board of Trustees of the California State University for fiscal years 2015/16 and 2016/17 that was ratified by the Board of Trustees on May 24, 2016.

The HR Technical Letter ([HR/Salary 2016-09](#)) and processing instructions that will be distributed to your HR staff are attached.

Please contact us if you have any questions or concerns.

Warm regards,

Evelyn and Margy

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Margaret Merryfield   
Assistant Vice Chancellor  
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Subject: FY 2015/16 and 2016/17 Salary Program for California Faculty Association Employees (Unit 3)

**Summary:**

This technical letter provides information regarding salary program provisions pursuant to the agreement reached between the California Faculty Association and the Board of Trustees of the California State University for fiscal years 2015/16 and 2016/17 that was ratified by the Board of Trustees on May 24, 2016.

**Action Item(s):**

Implement salary provisions for fiscal years 2015/16 and 2016/17, effective July 1, 2016.

**Affected Employee Groups(s)/Units:**

California Faculty Association (Unit 3) employees

**Details:**

The agreement reached between the California Faculty Association (CFA) and the Board of Trustees of the California State University (CSU) that was ratified on May 24, 2016, provides for the following salary components for fiscal years 2015/16, 2016/17, and 2017/18:

- A General Salary Increase (GSI) of 5% effective 11:59 p.m. on June 30, 2016, which will take effect July 1, 2016
- A GSI of 2% effective July 1, 2016
- An increase of 5%, followed by an increase of 2%, to the salary range minimums, Service Salary Increase (SSI) maximums, and salary range maximums effective July 1, 2016
- Effective FY 2016/17, an increase to the minimum percentage salary increase upon promotion of a tenured or probationary faculty member, from 7.5% to 9%
- A General Salary Increase of 3.5% effective July 1, 2017
- A 2.65% Service Salary Increase (SSI) for eligible employees in FY 2017/18

The agreement also extended the Collective Bargaining Agreement (CBA) between the parties by one year, to June 30, 2018.

This technical letter provides information pertaining to the June 30, 2016 and July 1, 2016, GSIs and the change to the minimum percentage increase upon promotion of tenured and probationary faculty. In addition, provision 40.21 of the Collective Bargaining Agreement states that for each year of the current CBA, salary rates for classification codes 2322 (Instructional Faculty, Special Programs – For Credit) and 2323 (Instructional Faculty, Extension – For Credit) shall increase at a rate consistent with the overall compensation pool increase for Unit 3. Instructions for providing these rate increases are included as well. Instructions for FY 2017/18 salary provisions will be addressed in subsequent technical letters. Campuses retain the authority under the CBA to make additional awards to address campus equity issues.

**Distribution:**

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

All Campus Vice Presidents  
Deans of Extended Education  
Budget Officers

State Controller's Office/PPSD

Detailed Program Information:

❖ **General Salary Increase (GSI):**

- All faculty unit employees on active pay status, or on leave, effective 11:59 p.m. June 30, 2016, will receive a 5% General Salary Increase (GSI). All faculty unit employees on active pay status, or on leave, July 1, 2016, will receive a 2% General Salary Increase.
- The State Controller's Office (SCO) will post a 5% GSI via mass update to the individual salary rates of bargaining unit members on active pay status, or on leave, as of June 30, 2016, effective 11:59 p.m., which will take effect on July 1, 2016.
- The SCO will post a 2% GSI via mass update to the individual salary rates of bargaining unit members who were on active pay status, or on leave, July 1, 2016, effective July 1, 2016.
- Base salary increases will be incorporated into the July 2016, master payroll warrant (issue date: August 1, 2016.)
- The GSIs will be posted by the SCO in two transactions:
  - The 5% GSI will be posted via GEN transaction, effective July 1, 2016, and
  - The 2% GSI will be posted via SCR transaction, effective July 1, 2016, and will be calculated based upon the salary received after the application of the 5% GSI.
  - Due to the 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 data base pertaining to faculty unit employees, beginning July 15, 2016, through July 18, 2016. Campuses will be able to resume keying transactions in the PIMS database that are applicable to faculty unit employees beginning July 19, 2016.
- GSIs for eligible employees in non-pay status (e.g., on unpaid leave) will be processed manually by the respective campus effective the date the employee returns to active pay status.
- Individuals who held Unit 3 appointments in 2015/16, but were not active or on leave as of June 30, 2016, (11:59 p.m.) or July 1, 2016, are eligible for the GSI at the time of reappointment, if reappointed into the same class and range at the same campus, in academic year 2016/17. Campuses are responsible for calculating the GSI in the same manner as the mass update process, and incorporating the GSI amount in the appointment salary.
- Employees appointed between July 1, 2016, and the date of the mass update, whose salary rate is below the new minimum after the application of the GSI's, will have their salary rate increased to the new salary range minimum by fixing the original AXX record (SCO will process via AxxF,) and keying the appointment with the new minimum salary. CIRS Compendium Report L16, Cycle 1607 (available July 25, 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.
- **Special Note:** Faculty unit employees with temporary appointments with expiration dates of June 30, 2016 or earlier will receive the GSI increases if the appointment is not separated by the campus before the mass update is run.
- 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 appointments with a June 30, 2016, or earlier expiration date if the temporary appointment has not been separated.
  - Temporary appointment statuses should be accurately reflected in the employment history database. The mass update for the 5% and 2% GSIs has been programmed to include all employees in an active pay status, including those with expired temporary appointment dates, to better support campus keying efforts for this two-tiered GSI. In practice this means that temporary faculty unit employees whose appointments expired at the end of the 2015/16 academic year, but who are receiving residual pay because their appointments are being allowed to run out over the summer months, will receive the two GSIs effective July 1. For such employees, the July 1, 2016 mass update programming change means that the GSI amounts will have been incorporated in their individual salary rates if they are reappointed in the upcoming 2016/17 academic year.
- CIRS Compendium Report L17, Cycle 1606, (data as of 6/24/2016) identifies employees in temporary appointments with expiration dates prior to July 1, 2016, who will receive the GSI unless otherwise

separated by the campus prior to the July 15, 2016, mass update process. This report will be available on 6/27/16, before the mass update is run.

- CIRS Compendium Reports H50, Cycle 1607, and tab delimited file H80, Cycle 1607 (available July 25, 2016,) lists employees that had an appointment expiration date prior to the effective date of the GSI, and who received the GSIs, for campus reference and verification.
- Employees on Military Leave receiving a Military Difference in Pay CSU salary supplement should have the difference between the CSU salary and military pay recalculated based on the employee's new salary rate, pursuant to the CSU policy. Campuses are responsible for completing this manual process.
- In general, all newly hired faculty members (including new tenure-track appointees who previously held temporary appointments at the same campus) whose appointments begin *after* July 1, 2016, are not eligible for the increases unless the campus has included language in the offer of appointment providing for the application of any negotiated increases. If, however, the appointment salary is below the new salary range minimum, the salary must be increased to the new minimum of the salary range. CIRS Compendium Report L16, Cycle 1607 (available July 25, 2016,) will list employees that fall below the new salary range minimum.
- Lump sum settlement payments (PIMS Item 810) issued prior to July 1, 2016 will not receive the GSI.
- Refer to Technical Letter [HR/Salary 2016-08](#) for details pertaining to Faculty Salary Administration for Summer Term Employment. As a reminder, for faculty unit employees who held appointments in the 2015/16 academic year, salary rates for classifications 2357 (Instructional Faculty, Summer Session – Extension) and 2457 (Instructional faculty, Summer Session – State Support) are derived from salaries in effect in the prior academic year.

❖ **New Promotion Provisions:**

- Effective with FY 2016/17, all promotions of tenured or probationary faculty unit employees must be accompanied by a **minimum** salary increase of 9%.
  - For academic year faculty, the faculty member will receive the minimum 9% promotion as of the first day of their 2016/17 academic year appointment.
  - 12-month faculty members will receive the minimum 9% promotion at the beginning of the respective pay period in which the promotion is effective.
- The new salary after promotion may not be below the minimum for the new rank.
- The promotion increase will be applied on top of the general salary increases effective July 1, 2016.
- As 9% is the **minimum** permitted increase upon promotion, if application of 9% to the base salary results in a fractional dollar amount, the new salary should be rounded **up** to the next whole dollar amount.
- Campuses have the discretion to provide increases *greater* than the minimum percentage at the time of promotion.

❖ **Changes to Salary Rates for Faculty Unit Employees Appointed in Extension for Credit:**

- The salary rates for classifications 2322 (Instructional faculty, Special Programs – For Credit) and 2323 (Instructional Faculty, Extension – For Credit), including the low enrollment Special Schedule rates, will be increased by 5%, followed by an increase of 2%, effective July 1, 2016.
- Payments in these classifications issued on or after July 1, 2016, regardless of the dates when the work was performed, must incorporate the new rates. Campuses are responsible for ensuring that all payments are consistent with the new rates.
- Per provision 40.20, the salary rates for classification 2322 are to be considered minimums and may be increased by the President.

❖ **Salary Ranges:**

- The salary range minimums, SSI maximums, and salary range maximums for all faculty classifications will be increased by the General Salary Increase amounts effective July 1, 2016.
- The updated salary schedule will be available on the CSU web site (<https://www.calstate.edu/HRAdm/SalarySchedule/salary.aspx>) after the mass update has been completed on July 19, 2016.

❖ **Mass Update Considerations:**

- When mass updates are run, all subsequent salary transactions effective after July 1, 2016, whose effective date and keying date is before the mass update run date, will be increased by the GSI percentage.
- 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 5% and 2% GSI 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 (full time equivalent) 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 General Salary Increases and Equity Increases 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 (depending on the timebase fraction), could cause individual actual monthly salary rates to result in amounts with dollars and cents.
- Examples for processing the 5% and 2% GSIs are provided below:

<p><b>Example #1:</b>  <math>\\$4,291 \times 1.05 = \\$4,505.55</math>  <math>+ \quad \underline{\quad .50}</math>  <math>= \\$4,506.05</math>            Monthly based-on rate = \$4,506.00*, then  <math>\\$4,506 \times 1.02 = \\$4,596.12</math>  <math>+ \quad \underline{\quad .50}</math>  <math>= \\$4,596.62</math>            New monthly based-on rate = \$4,596.00*            (*cents are truncated to create whole dollar amount)</p>	<p><b>Example #2:</b>  <math>\\$5,025 \times 1.05 = \\$5,276.25</math>  <math>+ \quad \underline{\quad .50}</math>  <math>= \\$5,276.75</math>            New monthly based-on rate = \$5,276.00*, then  <math>\\$5,276 \times 1.02 = \\$5,381.52</math>  <math>+ \quad \underline{\quad .50}</math>  <math>= \\$5,382.02</math>            New monthly based-on rate = \$5,382.00*            (*cents are truncated to create whole dollar amount)</p>
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The following processing instructions are provided in Attachment A:

- ⇒ **Salary Increase Program I - General Salary Increases**
- ⇒ **Salary Increase Program II – Promotion Increases**

Please direct questions regarding this technical letter as follows:

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| ➤ 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                  | Academic Human Resources at (562)951-4424      |

This document is available on the Human Resources Management's Web site at:

<https://csyou.calstate.edu/Policies/HRPolicies/Forms/Default.aspx>.

**PROCESSING INSTRUCTIONS**

**SALARY INCREASE PROGRAM**  
 I – General Salary Increases (GSI)

PAY SCALES IMPACT:	
Change Summary:	<ul style="list-style-type: none"> <li>• Increase the salary range minimums, SSI maximums, and salary range maximums by 5% and 2%</li> <li>• Increase the individual salary rates of employees by 5% and 2%</li> </ul>
Class Code(s):	All Unit 3 classifications
CBID:	R03
Pay Scales Effective Date:	07/01/16
Date in Production:	07/15/16
Pay Letter:	2016-03 (for 6/30/16 change); 2016-04 (for 7/01/16 change)

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	<ul style="list-style-type: none"> <li>• The SCO will post increases into PIMS database via mass update.</li> <li>• <b>Campuses are responsible for manually processing increases for eligible employees after the mass update is run or upon return from leave, as appropriate.</b></li> </ul>
Processing Date(s):	Beginning July 15, 2016 through July 18, 2016
Effective Date:	07/01/16
PIMS Transactions:	GEN, SCR
Detailed Transaction Code (Item 719):	65 (on SCR transaction only)
EH Remarks (Item 215):	N/A
Pay Amount:	5%, subject to SCO rounding as a result of the mass update process; 2%, subject to SCO rounding as a result of the mass update process
Pay Form:	Base salary increase
Settlement Pay (Item 810):	Campuses are responsible for processing settlement payment adjustments as a result of the GSI.
Employees on Leave:	<ul style="list-style-type: none"> <li>• Increases are effective 07/01/16 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957 = 40) on 07/01/16.</li> <li>• Increases for other employees on leave (non-pay status) are to be keyed by the campus via GEN and SCR Transactions, 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, and then post the SCR transaction on top of the GEN transaction.</li> <li>• Refer to <a href="#">HR 2016-03</a> for information on employees on Military Leave receiving a Military Difference in Pay.</li> </ul>
Additional Information:	<ul style="list-style-type: none"> <li>• All employees who are in active pay status as of 07/01/16 will receive the GSI via GEN and SCR transactions.</li> <li>• Increases will be applied pro-rata for employees who are less than full-time.</li> <li>• Newly hired faculty unit employees appointed effective <b>July 1, 2016</b>, are eligible for the increase unless the offer of appointment includes contingency language that specifically <u>excludes</u> the application of any negotiated salary increase.</li> <li>• Faculty unit employees newly appointed at a campus on or after</li> </ul>

July 2, 2016, or who are newly appointed to a tenured or probationary position at a campus after holding a temporary position at the same campus, are not eligible for the increase, unless the offer of appointment includes contingency language providing for the application of any negotiated salary increase.

- Individuals who held Unit 3 appointments in 2015/16, but were not active or on leave on July 1, 2016, are eligible for the GSI at the time of reappointment, if reappointed into the same class and range in academic year 2016/17. Campuses are responsible for calculating the GSI increases in the same manner as the mass update process, and incorporating the GSI amount into the appointment salary. In Employment History Remarks (PIMS Item 215), indicate "GSI INCLUDED"
- If the appointment salary falls below the new salary range minimum, the salary will be increased to the minimum of the new salary range via AxxF (SCO will process AxxF). CIRS Compendium Report L16, Cycle 1607, will be available July 25, 2016.
- 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 if the appointment has not been separated.
- CIRS Compendium Report L17, Cycle 1606 (data as of 6/24/16,) identifies employees with expiration dates prior to July 1, 2016 who will receive the GSIs unless otherwise separated by the campus before the mass update is run. (available 6/27/16)
- CIRS Compendium Reports H50, Cycle 1607, and tab delimited file H80, Cycle 1607, will be available July 25, 2016, for campus reference and verification.
- Campuses are responsible for ensuring that temporary appointment statuses are accurately reflected in the employment history database. In this instance, the GSI will be applied to temporary appointments with an expiration date before July 1, 2016, if the individual is not otherwise separated by the campus before the mass update process is run.
- Payments issued on or after July 1, 2016, for employees appointed in classifications 2322 or 2323, must be corrected via A54C and re-computed to incorporate the 5% and 2% increases to salary rates for these classifications, including low enrollment schedules. If payments made for classification 2322 exceed the new rates, no correction is required.
- Faculty unit employees with summer 2016 appointments in classifications 2357 or 2457 will not receive an increase to their summer compensation for 2016. Refer to Technical Letter [HR/Salary 2016-08](#) for additional information.
- If a campus equity increase is awarded July 1, 2016, the order in which the salary transactions should be posted from bottom to top is first the (5%) GEN, then post an SCR<sub>C</sub> transaction to incorporate the 2% GSI paid via SCR transaction with the campus equity amount. Change Item 719 from "65" to "53" and Item 215 = "Equity + GSI" Other salary increases (e.g., promotions, range elevations) that have the same effective date of the campus-based equity increase are to be posted subsequent (e.g., on top of) the campus-based equity.

	<ul style="list-style-type: none"> <li>• Docks and salary overpayments may be impacted by the mass update. Campuses are responsible for making appropriate adjustments.</li> </ul>
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CMS PROCESSING INFORMATION:	
Workforce Administration:	<ul style="list-style-type: none"> <li>• Salary Schedule Load provided by HR Data Operations to CMS by July 1, 2016.</li> <li>• Campus L15 file will be available for download on 7/18/16, Cycle 3333. (The file will load the GEN [PAY/GSI], and SCR [PAY/GS2] transactions processed by the SCO as well as corrections.)</li> <li>• Campuses should process the GEN and SCR (L15 file) transactions, and if appropriate use "correction-mode" to manually update any subsequent salary rows.</li> <li>• Action Reason: PAY/GSI (GEN: Pay Rate Change/General Salary Increase) and PAY/GS2 (SCR: Pay Rate Change/General Salary Increase 2)</li> <li>• Effective Date: 07/01/16</li> <li>• Effective Sequence: Increment as appropriate</li> <li>• Union Code: R03</li> <li>• Empl History Remarks: N/A</li> </ul>
Temporary Faculty:	N/A
Benefits:	N/A
Time and Labor:	N/A
Absence Management:	N/A
Labor Cost Distribution:	N/A
Additional Instructions:	<ul style="list-style-type: none"> <li>• 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.</li> <li>• If a campus provides campus equity increases with an effective date of July 1, 2016, the campus will need to combine the two increases into one SCR (PAY/EQU: Pay Rate Change/Equity Adjustment) transaction, and update Empl History Remarks (Item 215) to denote "Equity + GSI".</li> </ul>



**PROCESSING INSTRUCTIONS**

**SALARY INCREASE PROGRAM**  
 II – Promotion Increases

PAY SCALES IMPACT:	
Change Summary:	N/A
Class Code(s):	
CBID:	
Pay Scales Effective Date:	
Date in Production:	
Pay Letter:	

EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:	
Processing Responsibility:	Campuses
Processing Date(s):	Campus-determined
Effective Date:	On or after July 1, 2016, after the mass update is run for the General Salary Increases: <ul style="list-style-type: none"> <li>○ AY Faculty - At the beginning of the academic pay period</li> <li>○ 12-month Faculty – At the beginning of the state pay period</li> </ul>
PIMS Transaction:	A64
EH Remarks (Item 215):	N/A
Pay Amount:	<b>Minimum</b> = 9.0%
Pay Form:	Base salary increase
Anniversary Date (Item 330)	<ul style="list-style-type: none"> <li>● Recalculate as appropriate, based upon new salary and the SSI maximum in the new rank</li> </ul>
Final Salary Anniversary Date/SSI Counter (Item 958)	<ul style="list-style-type: none"> <li>● Recalculate as appropriate based upon the new salary, the SSI maximum in the new rank, and the number of 2.5% increments available to the SSI maximum.</li> </ul>
Employees on Leave:	<ul style="list-style-type: none"> <li>● Increases are effective 07/01/16 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957 = 40) on 07/01/16, if the promotion increase is awarded in the July 2016 pay period by the campus.</li> <li>● Promotion increases for other employees on leave (non-pay status) are to be keyed by the campus, following the application of the GSI increase and campus-based equity, if applicable.</li> <li>● The effective date of the promotion increase may differ from the effective date the employee returns to active pay status.</li> </ul>
Additional Information:	<ul style="list-style-type: none"> <li>● Promotion salary increases that have the same effective date as the GSI and/or campus-based equity increase, if applicable, are to be posted subsequent to (e.g., on top of) the GSI and/or campus-based equity increase.</li> <li>● Promotion increases awarded after July 1, 2016 must be at the beginning of the respective pay period (academic or state pay period, as appropriate) in which the increase is awarded.</li> <li>● Docks and salary overpayments may be impacted by this change.</li> </ul> <p><b>Campuses are responsible for making appropriate adjustments.</b></p>

CMS PROCESSING INFORMATION:	
Workforce Administration:	Campuses should use correction mode to make the following updates: <ul style="list-style-type: none"> <li>• Action Reason: PRO/PRO (A64: Promotion/Promotion)</li> <li>• Effective Date: 07/01/16, or at the beginning of a subsequent academic year or state pay period</li> <li>• Effective Sequence: Increment as appropriate</li> <li>• Union Code: R03</li> <li>• Anniversary Code: (Item 330): Update as appropriate</li> <li>• Anniversary Month/Year (Item 330): Update as instructed above</li> <li>• Faculty SSI Remaining (Item 958): Update as instructed above</li> <li>• Comp Rate: Update as appropriate, including all subsequent salary rows</li> <li>• Empl Hist Remarks (Item 215): N/A</li> </ul>
Temporary Faculty:	N/A
Benefits:	N/A
Time and Labor:	N/A
Absence Management:	N/A
Labor Cost Distribution:	N/A
Additional Instructions:	<ul style="list-style-type: none"> <li>• Update as instructed above</li> </ul>