

**Date:** January 28, 2014

**Code:** TECHNICAL LETTER  
HR/Salary 2014-02

**To:** Human Resources Officers  
Payroll Managers

**From:** Evelyn Nazario   
Associate Vice Chancellor  
Human Resources Management & CO HR Services

**Subject:** FY 2013/14 Salary Program for California State University Employees Union (CSUEU – Units 2, 5, 7 and 9)

**Overview**

**Audience:** Human Resources Officers, Payroll Managers and/or campus designees responsible for employee payroll processing.

**Action Item:** Implement new salary provisions effective July 1, 2013.

**Affected Employee Group(s)/Unit(s):** Eligible CSUEU (Units 2, 5, 7 and 9) employees

**Summary**

This Technical Letter provides information regarding salary program provisions pursuant to the agreement reached between the California State University and the California State University Employees Union for fiscal year 2013/14.

Pursuant to the September 11, 2013, Memorandum of Understanding (MOU) between the California State University (CSU) and the California State University Employees Union (CSUEU), salary program provisions for FY 2013/14 are provided below:

- Salary Program effective July 1, 2013:
  - 1.34% General Salary Increase (GSI)
  - A forty (\$40) dollar salary increase shall be applied to the individual salary rates of employees in instances where the 1.34% GSI increase amount falls below a \$40 minimum salary increase, pro-rated as appropriate based upon time base and/or pay plan schedule.
  - All CSUEU salary range minimums and maximums will be increased by 1.34%

**Detailed Information for Salary Provisions:**

- ❖ General Salary Increase (GSI):
  - The State Controller's Office (SCO) will post a 1.34% GSI via GEN transaction to the individual salary rates of bargaining unit members via mass update on the night of February 12, 2014, with an effective date of July 1, 2013.

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**Distribution:**

CSU Presidents  
Vice Chancellor, Human Resources  
All Campus Vice Presidents

Budget Officers  
State Controller's Office/PPSD

- All employees who were active on July 1, 2013, will receive the GSI via GEN transaction. The increase shall be paid pro-rata for employees who are less than full-time.
  - GSI increases for eligible employees in non-pay status (e.g., on leave) will be processed manually by the respective campus effective the date the employee returns to active pay status.
  - Hourly and per diem employees will receive the 1.34% increase on their base pay.
  - The monthly base salary increase will be included in employees' February 2014 master payroll warrant (March 1, 2014, issue date). Separate payroll warrants will be issued for retroactive payments (from July 1, 2013); employees will receive these payments as paper warrants or via direct deposit beginning on or after 02/14/2014.
  - Employees appointed between July 1, 2013, and the date of the mass update whose salary rate is below the new minimum after the application of the 1.34% GSI will have their salary rate brought to the new minimum by fixing the original AXX record and keying the appointment with the new minimum salary. Employees appointed after the mass update must be appointed under the new salary schedules.
  - 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.
  - Pursuant to the MOU, the CSU (e.g., the campus Human Resources or other campus-authorized department) will issue Unit 2, 5, 7 and 9 employees written notification of the increase. The notification will include the reason for the salary increase, the new rate of pay and the effective date of the increase.
- ❖ Forty (\$40) Dollar Minimum Increase Special Handling Requirements for 8/12, 10/12 and 11/12 pay plan schedules:
- Individuals appointed full-time in 12-month classifications whose full time monthly based-on rate is equal to or greater than \$2,986 will receive the \$40.00 minimum salary rate increase when the 1.34% GSI is applied ( $\$2,986 \times .0134 = \$40.01$ ). The mass update will be programmed to apply a forty (\$40) dollar increase to the individual salary rates of employees appointed full-time in 12-month classifications whose full time monthly based-on rate is less than \$2,986.
  - The monthly based-on rates of employees appointed full-time in 8/12, 10/12 and 11/12 pay plan schedules are calculated based upon a twelve month based-on rate for the 8, 10, or 11 months that the employee actually works, evenly divided over a 12 month period where they continue to receive pay over the 4, 2 or 1 month(s) while in non-work status.
  - To ensure that the intent of the MOU for the forty (\$40) dollar minimum increase is consistently applied pro-rata to individuals appointed in these pay plan schedules, the following table identifies the comparable monthly based-on rate threshold for the respective pay plan schedule. The mass update program will be programmed to apply the GSI accordingly.
  - The following rates are based upon a full-time equivalency for the respective pay plan schedule, rounded to the nearest whole dollar in accordance with the State Controller's Office (SCO) rounding logic for mass updates as noted below:

Pay Plan	Monthly Salary Rate Equivalency Threshold	Minimum Salary Rate Increase
8/12	$\$2,986 * 8 = 23,888 / 12 = \$1,990.66 = \$1,991$	$\$40 * 8 = 320 / 12 = \$26.66 = \$27.00$
10/12	$\$2,986 * 10 = \$29,860 / 12 = \$2,488.33 = \$2,488$	$\$40 * 10 = 400 / 12 = \$33.33 = \$33.00$
11/12	$\$2,986 * 11 = \$32,846 / 12 = \$2,737.16 = \$2,737$	$\$40 * 11 = 440 / 12 = \$36.66 = \$37.00$

❖ Salary Ranges

- The salary range minimums and maximums for all CSUEU classifications will be increased by an approximate 1.34%, effective July 1, 2013.
- 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.

The following processing instructions are provided in Attachment A:

⇒ **Salary Increase Program I – General Salary Increase (GSI)**

- ❖ When mass updates are run, a small number of payments may suspend from the automated process, requiring further analysis; such payments may require additional time for manual processing by the SCO beyond the March 1, 2014, timeline.

❖ Salary Increase Rounding Considerations:

- 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 \* 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 1.34% GSI are provided as follows:

<p><b>Example #1:</b>  <math>\\$4,000 \times 1.0134 = \\$4,053.60</math>  <math>\quad + \quad \underline{\quad .50}</math>  <math>\quad = \quad \\$4,054.10</math>          New monthly based-on rate = \$4,054.00*          (*cents are truncated to create whole dollar amount)</p>	<p><b>Example #2:</b>  <math>\\$2,990 \times 1.0134 = \\$3,030.06</math>  <math>\quad + \quad \underline{\quad .50}</math>  <math>\quad = \quad \\$3,030.56</math>          New monthly based-on rate = \$3,030.00*          (*cents are truncated to create whole dollar amount)</p>
<p><b>Example #3:</b>  <math>\\$2,700 \times 1.0134 = \\$2,736.18</math>  <math>\quad + \quad \underline{\quad .50}</math>  <math>\quad = \quad \\$2,736.68</math>          New monthly based-on rate = \$2,736.00* <b>Special note:</b> since this rate falls below the minimum threshold (\$2,986.00), in this instance, the mass update will post a \$40 salary rate increase, taking the individual salary rate to \$2,740.00          (*cents are truncated to create whole dollar amount)</p>	

- 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 1.34% GSI for hourly rate classifications are provided as follows:

<p><b>Example #1:</b>  <math>\\$10.00 \times 1.0134 = \\$10.134</math>  <math>\quad = \quad \\$10.13</math></p>	<p><b>Example #2:</b>  <math>\\$11.75 \times 1.0134 = \\$11.907</math>  <math>\quad = \quad \\$11.91</math></p>
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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                  | Human Resources Management at (562)951-4411    |

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

<https://www.calstate.edu/HRAdm/memos.shtml>

EN/dm

Attachment

**PROCESSING INSTRUCTIONS**

**SALARY INCREASE PROGRAM**

**I – General Salary Increase (GSI)**

<b>PAY SCALES IMPACT:</b>	
Change Summary:	<ul style="list-style-type: none"> <li>• Increase the salary range minimums and maximums by 1.34%</li> <li>• Increase the individual salary rates of employees by 1.34%</li> <li>• A forty (\$40) dollar salary increase shall be applied to the individual salary rates of employees in instances where the 1.34% GSI increase amount falls below a \$40 minimum salary increase</li> <li>• Increase will be applied pro-rata for employees who are less than full-time</li> <li>• Hourly and per diem employees will receive the 1.34% increase on their base pay</li> </ul>
Class Code(s):	All Unit 2,5,7 and 9 classifications
CBID:	R02, R05, R07 and R09
Pay Scales Effective Date:	07/01/2013
Date in Production:	2/12/2014
Pay Letter:	2014-02

<b>EMPLOYMENT HISTORY (EH)/PAYROLL IMPACT:</b>	
Processing Responsibility:	<ul style="list-style-type: none"> <li>• The SCO will post increases into PIMS database via mass update.</li> <li>• Campuses are responsible for manually processing increases for eligible employees after the mass update is run or upon return from leave, as appropriate.</li> </ul>
Processing Date(s):	Beginning the evening of 2/12/2014
Effective Date:	07/01/2013
PIMS Transaction:	GEN
Detailed Transaction Code (Item 719):	N/A
EH Remarks (Item 215):	N/A
Pay Amount:	<ul style="list-style-type: none"> <li>• 1.34% base salary increase, with a minimum increase of forty (\$40) dollars based upon a 12-month pay plan full time equivalency</li> <li>• Increase will be applied pro-rata for employees who are less than full-time</li> <li>• Hourly and per diem employees will receive the 1.34% increase on their base pay</li> </ul>
Pay Form:	Base salary increase
Lump Sum Earnings ID:	N/A
Employees on Leave:	<ul style="list-style-type: none"> <li>• Increases are effective 07/01/13 for employees on NDI supplementing with Catastrophic Leave (S49 Transaction, Item 957 = 40) on 07/01/13.</li> <li>• 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.</li> <li>• Refer to <a href="#">HR 2013-08</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 active as of 07/01/13 will receive the GSI via</li> </ul>

	<p>GEN transaction.</p> <ul style="list-style-type: none"> <li>The SCO mass update program will process GSIs for active employees whose appointment expiration date is prior to 7/01/2013. In order to assist campuses in identifying these employees, CIRS Compendium Report H50, Cycle 1402 and tab delimited file H80, Cycle 1402 will be available February 13, 2014 for campus reference and verification.</li> </ul>
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<b>CMS PROCESSING INFORMATION:</b>	
Workforce Administration:	<ul style="list-style-type: none"> <li>Salary Schedule Load provided by HR Data Operations to CMS on 01/21/14.</li> <li>Campus L15 file will be available for download on 02/13/14, Cycle 2222. (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.</li> <li>Action Reason: PAY/GSI (GEN)</li> <li>Effective Date: 07/01/13</li> <li>Union Code: R02, R05, R07 and R09</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/Reason STD/ND3 or STD/ND4 as appropriate.</li> </ul>