

Settlement Agreement
Service Salary Increase Eligibility
System-wide Application of Remedy
in CSU Grievance No. 3-02-106

In CSU Grievance No. 3-02-106 Arbitrator Goldberg made an interpretation of the SSI eligibility language of Article 31 of the 1998-2002 Agreement between the parties. Specifically he held that:

To determine whether a faculty member has received the maximum allowable number of SSIs, one must deduct the amount of any FMIs s/he has received, regardless of the rank or classification in which they were awarded.

Although the award in case 3-02-106 is not precedent setting with regard to other cases, in order to reach an amicable resolution of this SSI eligibility issue raised in sixty (60) other grievances (see attachment A) and to avoid the expense of further litigation, the California Faculty Association (CFA); and the Trustees of the California State University, (CSU) (all of whom are collectively referred to in this Agreement as Parties) mutually agree to the following Settlement Agreement and General Release of All Claims (Agreement):

1. This settlement is the compromise of disputed claims and shall not be construed as an admission by any Party to this Agreement of any liability or responsibility at any time for any purpose. CSU and CFA each specifically deny any wrongful conduct toward the other, and enter into this Agreement to buy their peace and to avoid further inconvenience or litigation. This Agreement shall not serve as a precedent in any other complaint/grievance on any CSU campus, nor be cited in any other grievance or arbitration or other legal forum except as may be necessary to enforce this agreement.
2. To resolve all claims related to SSI eligibility raised in the grievances listed in Attachment A, those faculty whom the Parties have deemed eligible and thus who are identified in attachment B, the CSU will provide the following:
 - a. Effective the December 2006 pay period faculty listed in Attachment B – faculty who have already been specifically identified by the CSU as meeting the

settlement parameters of this Agreement - shall receive a permanent monthly gross base pay adjustment in the amount listed in the column in attachment B entitled "Monthly Base pay Adjustment."

- b. In consideration for SSI claims back to July 1, 2004, eligible faculty shall also receive a lump sum payment, in the gross amounts that appear in the column on attachment B titled "Lump Sum Settlement Payment." The actual amount of the individual faculty member's lump sum settlement check shall be minus applicable taxes and withholdings for Social Security, and Medicare, but there shall be no withholdings for CalPERS retirement.
- c. For faculty appearing on attachment B the CSU shall adjust their SSI counter effective with the beginning of academic year 2006/07 to account for Faculty Merit Increases received at all ranks. The SSI awarded as a result of this settlement shall count towards an individual faculty member's remaining SSI eligibility.
- d. Unit 3 faculty members not listed on Attachment B who were promoted since July 1, 1998 and received one or more Faculty Merit Increases in their pre-promotion rank are listed in Attachment C. ¹ (These are faculty who have not yet been specifically identified by the CSU as meeting the settlement parameters of this Agreement.) Only those faculty members on Attachment C who are employed at those CSU campuses not listed in paragraph 3 below, shall be sent Attachment D by no later than November 30, 2006. In order to receive either a prospective base pay or the SSI counter adjustment the faculty member must both respond to Attachment D by no later than February 28, 2007, and meet the following criteria for inclusion in the arbitration ruling by Arbitrator Goldberg:
 - i. Received a FMI sometime prior to academic year 2004/05 in a rank or lecturer range and were subsequently promoted or received a range elevation, and

¹ The parties have agreed that any faculty that have left the CSU voluntarily, except for those that have retired, are NOT eligible for a remedy under this settlement.

- ii. Either did not receive an SSI or received a partial SSI on July 1, 2004, and
 - iii. Subtracting the total FMI amounts from their salary would result in additional SSI eligibility.
 - e. Faculty members that do not respond to Attachment D (or to Attachment E noted below) in a timely manner shall forfeit their eligibility for any base pay or the SSI counter adjustments resulting from the system wide application of the award by arbitrator Goldberg. Faculty members that respond to Attachment D by February 28, 2007 and who meet the criteria noted in paragraph 2d above shall receive the following:
 - i. Faculty shall receive a permanent monthly gross base pay adjustment in the amount determined by the formula provided in Attachment D. This payment shall be effective in accordance with the following schedule:
 - 1. Faculty who respond by no later than December 31, 2006 shall receive the base pay adjustment effective with the February 2007 pay period.
 - 2. Faculty who respond by no later than January 31, 2007 shall receive the base pay adjustment effective with the March 2007 pay period.
 - 3. Faculty who respond by no later than February 28, 2007 shall receive the base pay adjustment effective with the April 2007 pay period.
 - ii. The CSU shall adjust their SSI counter effective with the beginning of academic year 2006/07 to account for Faculty Merit Increases received at all ranks. The SSI awarded as a result of this settlement shall count towards an individual faculty member's remaining SSI eligibility
3. Only those faculty listed on Attachment C who are employed at the campuses noted below shall be sent Attachment E by no later than November 30, 2006. Those that meet the criteria noted in paragraph 2d above and respond to Attachment E by February 28, 2007 shall receive a lump sum payment in consideration for SSI claims back to July 1, 2004 and a prospective based pay and SSI counter adjustment as

described in paragraphs 2e(i) and (ii) above. This lump sum payment shall be calculated in accordance with the formula provided in Attachment E. The actual amount of the individual faculty member's lump sum settlement check shall be minus applicable taxes and withholdings for Social Security and Medicare, but there shall be no withholdings for CalPERS retirement.

- a. Chico
- b. East Bay
- c. Fresno
- d. Fullerton
- e. Humboldt
- f. Long Beach
- g. Los Angeles
- h. Pomona
- i. Sacramento
- j. San Bernardino
- k. San Diego
- l. San Francisco
- m. San Jose

4. In consideration of the foregoing, the CFA on behalf of all individual grievants shall withdraw with prejudice as fully settled and resolved all grievances listed in Attachment A.
5. The CFA hereby fully releases and forever discharges the State of California, the Trustees of the CSU, and each of their officers, agents and employees from any and all claims, causes of action and liabilities, arising out of the CSU's interpretation as to the impact of faculty FMI awards on SSI eligibility; including but not limited to either an SSI base pay increase, an SSI counter adjustment, or a lump sum payment; for any Unit 3 employee, including those that fail to respond to Attachment D or E in a timely manner. (Although this language is a bar to any class action, it does not bar a claim by an individual based on procedural error or inaccuracy in calculation).
6. No supplement, modification, waiver, or amendment with respect to the Agreement shall be binding unless executed in writing by the parties against whom enforcement of such supplement, modification, waiver, or amendment is sought.
7. The CSU agrees that eligibility for future SSIs shall be consistent with the ruling by the arbitrator in case 3-02-106. However, the parties specifically acknowledge that faculty eligibility for an SSI and/or SSI counter methodology may be

altered in the course of bargaining future Collective Bargaining Agreements between the parties. In the event of a conflict between the provisions of this settlement agreement and future changes to the collective bargaining agreement, the parties agree the terms of the collective bargaining agreement shall control regarding future SSI eligibility and that there shall be no additional liability for the CSU of any kind arising out of this Settlement Agreement.

8. Any violations of this settlement agreement shall be subject to the grievance and arbitrations provisions of Article 10 of the collective bargaining agreement.

By signing below the Parties witness their agreement to all the terms and conditions of this agreement.

For California State University



Samuel A. Strafaci
Assistant Vice Chancellor
Human Resources

Date: October 17, 2006

For California Faculty
Association



John Travis
President

Date: October 17, 2006

LOCATION:5629514890

RX TIME 10/17 '06 16:07

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