

400 Capitol Mall, Suite 1950
Sacramento, CA 95814



Phone: 916-441-4848
Fax: 916-441-3513

TO: File
FROM: Teresa Garcia
SUBJECT: Outcome Summary: CFA Systemwide – CFA # 2002-131 / CSU # 3-02-092
DATE: September 14, 2004
cc:

The below information was received from Nina Fendel.

This case involved the raises negotiated for Unit 3 counselors in 2002. The contract provided as follows:

- 1) The counselors were to be converted to the faculty salary schedule at the close of business of June 30, 2002 (Article 31.21). The raises associated with this conversion ranged from 6.72% - 15.59%, depending on classification and academic year/12 month status.
- 2) Effective July 1, 2002, the entire unit, including counselors, received a General Salary Increase of 2% (Article 31.8).

The CSU took a shortcut in calculating the salary increase for counselors that resulted in loss of salary to each counselor in the unit. Instead of calculating the conversion raise, then the GSI (thus compounding the conversion raise), they simply added together the two percentages and used that figure to calculate a single raise. Combining rather than compounding the raises, resulted in a loss to each counselor in the unit of somewhere between \$0.50 and \$189 per year. These losses, though modest on a yearly basis, add up when projected indefinitely into the future. Additionally, this set a dangerous precedent which, if not challenged, could have encouraged the CSU to try similar shortcuts in the future in calculating raises.

Early settlement negotiations focused on settlement of the back pay award and prospective correction of the base salary. The CSU initially insisted that any settlement be counted against future compensation pools. CFA was unwilling to agree to this since these raises had already been counted against the compensation pools in the previous round of bargaining. CFA prepared the case for arbitration. Several days before the arbitration was to take place, the CSU accepted CFA's previous settlement offer.

The terms of the settlement were as follows:

- 1) Each counselor in the unit will receive one year of back pay, to compensate for raises that should have been included in the July 31, 2002 checks.
- 2) Each counselor in the unit will receive an increase to their base representing the amount which would have been added to the base had the salary been computed correctly (compounded). This increase is prospective, effective October 1, 2004. It should show up on the November 1 paycheck.

The CSU dropped its demand that the increase be counted against future compensation pools.

Thank you to Ed Purcell and Linda Smith, who provided backup and guidance in this case.