

MEMORANDUM OF UNDERSTANDING

SALARY REOPENER

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE BOARD OF TRUSTEES OF THE CALIFORNIA STATE UNIVERSITY
AND
THE INTERNATIONAL UNION OF OPERATING ENGINEERS
STATIONARY ENGINEERS
LOCAL 39, AFL-CIO**

This memorandum of understanding confirms an understanding reached between the Board of Trustees of the California State University ("CSU") and the International Union of Operating Engineer - Stationary Engineer, Local 39, AFL-CIO ("Local 39"), collectively "the parties".

The parties entered into Re-Opener Negotiations in accordance with Article 24.4(b) of the November 9, 2021 – June 30, 2024 Collective Bargaining Agreement between the CSU and Local 39. As the result of these negotiations, the parties agreed to make the following revisions to the November 9, 2021 – June 30, 2024 Collective Bargaining Agreement effective July 1, 2022.

All revisions to the November 9, 2021 – June 30, 2024 Collective Bargaining are indicated by Track Change, as follows: deletions are marked with a strikethrough, and additions are marked with underline. All revisions are further indicated in Red font.

{revisions start}

ARTICLE 24

SALARY

General Salary Increase

- 24.4 A General Salary Increase (GSI) is a percentage increase applied to the individual salary rates of all bargaining unit members and to the Salary Schedule as provided in 24.3 above.

All employees in the bargaining unit shall receive a General Salary Increase (GSI) as follows:

- a. For fiscal year 2021/2022 and effective July 1, 2021 all bargaining unit employees in active pay status, or on leave as of that date, shall have their individual salary rate increased by three percent (3.0 %).

- b. For fiscal year 2022/2023 ~~and effective July 1, 2022 all bargaining unit employees in active pay status, or on leave as of that date, shall have their individual salary rate increase of up to five percent (5%), depending on the State budget allocation to the CSU, the union shall have the option to re-open negotiations on Article 24 and 25 (Salary and Benefits) by providing a written request to CSU no sooner than June 1, 2022, and no later than August 31, 2022.~~

~~A calculation will be conducted based on the State of California's final Budget Act of 2022, which has an expected enactment date between June 27, 2022 and September 30, 2022. This calculation will determine the new, unallocated, ongoing funding for the CSU from the State.~~

~~Once the new, unallocated, ongoing funding from the state is obtained and determined, the formula for General Salary Increases for 2022/2023 will be as follows:~~

<u>New, Unallocated, Ongoing State Funding</u>	<u>GSI</u>
<u>1. \$300,000,000 or more</u>	<u>5% GSI</u>
<u>2. \$200,000,000 to \$299,999,999</u>	<u>4% GSI</u>
<u>3. \$199,999,999 or less</u>	<u>Re-opener</u>

- c. For fiscal year 2023/2024 the union shall have the option to re-open negotiations on Article 24 and 25 (Salary and Benefits) by providing a written request to CSU no sooner than June 1, 2023, and no later than August 31, 2023.

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The salary scale maximums for all classifications shall be increased by the amount of General Salary Increases. The salary scale maximums for all classifications shall be increased by the amount of the General Salary Increases. These changes will be effective as of the date of the General Salary Increase in each fiscal year of this Agreement. Salary scale minimums for all classifications will remain unchanged for each fiscal year of this Agreement.

Upon ratification of this Agreement, CSU will work with the State Controller's Office to undertake the processing necessary to implement the terms of this Agreement in as timely a manner as possible.

Recognition Bonus

24.51 For fiscal year 2022/2023, a one-time payment of twenty-five hundred dollars (\$2,500) shall be provided to each bargaining unit employee with a 1.0 timebase or greater who is in active pay status (or on leave) as of the date of ratification of this agreement. Payments will be pro-rated for employees who are less than a 1.0 timebase on the date of ratification. For hourly intermittent employees, the formula for determining the pro-rata amount is as follows:

- Determining the FTE: The total number of hours worked by the employee for the six pay periods prior to the date of ratification divided by the number of total work hours in the six-month period of time = FTE for six-month period.
- Determining the Payment Amount: The twenty-five hundred dollars (\$2,500) one-time payment is then pro-rated based on the FTE determined by the formula above.

Rehired annuitants are not eligible for the one-time payment pursuant to California Government Code 21224 and CalPERS determination of the law.

{revisions end}

The parties agree that no other revisions are agreed to or implied. All other provisions of the 2021-2024 Collective Bargaining Agreement remain status quo, unchanged, and shall be carried forward.

Except as provided herein, terms of this memorandum of understanding shall be effective July 1, 2022, and shall continue in effect to and including June 30, 2024.