



California
LABOR
Federation



April 25, 2022

Governor Newsom
State of California
California State Capitol
Sacramento, CA 95814

President Pro Tempore Atkins
California State Senate
California State Capitol
Sacramento, CA 95814

Speaker Rendon
California State Assembly
California State Capitol
Sacramento, CA 95814

Re: Strong Support for \$288 Million to Address California State University Non-Faculty Staff Wage Structure

Dear Governor Newsom, Speaker Rendon, and Pro Tempore Atkins:

On behalf of the below listed representatives bargaining units at the California State University, we write to respectfully request the inclusion of a \$288 million appropriation in the 22/23 budget specifically for the California State University to address wage and market issues for non-faculty staff at the CSU.

Your collective leadership has led us to this seminal moment where funding this request will help right a nearly three-decades-old wrong where the salary structure for non-faculty staff at the CSU was altered and created significant challenges for our members across the various bargaining units.

As you know, you allocated \$2 million to the CSU via SB 129 (Chapter 69, Statutes of 2021) to fund a salary study for non-faculty CSU staff to assess their wage structure and other issues. Since the adoption of SB 129, we have been hard at work. In July and August of 2021, CSUEU (SEIU 2579) and Teamsters Local 2010 served on the CSU Request for Proposal Committee to select an independent research firm to perform the Salary Study, ultimately selecting Mercer due to their experience, capacity, and ability to work on labor management partnerships. Mercer began work in November 2021.

In December 2021, Mercer conducted extensive focus groups to develop their recommendations, receiving input from over 5,000 employees in the staff bargaining units and management personnel. In the recent months, Mercer has developed their assessment and made a suite of findings, including:

1. Mercer identified significant wage compression, meaning that new hire salaries are often extremely close to salaries of senior staff.
2. Mercer found that, on average, CSU staff salaries are 12% behind the market average. The market assessment looked at regional public and private employers for similar occupations as well as higher education institutions in and out of the state.
3. Mercer also recommends a 9-step salary system which will help support wage growth and a living wage for the non-faculty staff at the CSU. The proposed system will include 5 annual steps that an employee will progress through with satisfactory completion of job duties, the next 3 steps will be assessed every two years, and the final step will be assessed 3 years later.

Given these findings, the non-faculty staff bargaining units plan to bargain the implementation of salary structure changes in a standalone bargaining process with the CSU. For that process to be successful, we collectively need the support of the Legislature and Administration through an additional budget augmentation for the California State University System of \$288 million specifically for this purpose. This requested augmentation is distinct from and in addition to the general increase in the proposed budget.

Our organizations stand ready to work with you to secure this funding to successfully address non-faculty staff wage challenges that have persisted for far too long.

We greatly appreciate your leadership on these issues and look forward to a positive outcome.

Sincerely,

California State University Employees Union

California Faculty Association

SEIU California State Council

California Teamsters Public Affairs Council

United Auto Workers Local 4123

Union of American Physicians and Dentists

Statewide University Police Association

Academic Professionals of California

American Federation of State, County, and Municipal Employees

California Labor Federation

cc: The Honorable Phil Ting, California State Assembly
The Honorable Kevin McCarty, California State Assembly
The Honorable Nancy Skinner, California State Senate
The Honorable John Laird, California State Senate