



SEIU Local 2579

Contract Negotiations NEWS

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CSU REJECTS LATEST UNION PROPOSAL – PARTIES HEAD TO IMPASSE CSU TRUSTEES AUTHORIZE “OUTRAGEOUS” EXECUTIVE INCREASES

Lt. Governor John Garamendi attended the September 19 CSU Board of Trustees meeting and called executive pay raises of 12% in FY 2007 and 46% over the next three years “outrageous” and a “very serious mistake.” Garamendi also correctly stated that the 2007/08 pay raise for CSU executives is greater than the annual salary of thousands of CSU employees, like groundworkers, food service workers and clerical employees. Despite the opposition of two trustees (Garamendi and United Food and Commercial Workers Local 770 President Rick Icaza), the board easily adopted the proposed pay raise for Presidents and senior staff of the Chancellor’s Office.

Meanwhile, CSU sent the union a new proposal, which increased the General Salary Increase (GSI) from 2.7% to 3.457%. Under their new proposal, the amount dedicated to market equity increases was reduced from the equivalent of 1% GSI to the equivalent of 0.25% GSI. No changes were proposed to existing language regarding SSIs and rural health care stipends. The CSU did not make any specific proposal for FY 2008 compensation, but indicated that they would like to address what happens if the state budget does not provide any funds above the compact in FY 2008.

The CSUEU bargaining team met on September 19th and formulated a counter-proposal, which was presented to the CSU. The new CSUEU proposal for FY 2007 would provide the same GSI, SSI and rural healthcare amounts as the CSU. CSUEU also agreed to dedicate 0.25% to market salary increases (MSIs), only in the event that the MSIs are distributed equally to all classifications represented by CSUEU. In essence, that would increase the GSI-equivalent to 3.707% for all CSUEU-represented employees, retroactive to July 1, 2007. Therefore, the only outstanding issue for FY 2007 is the distribution of the 0.25% market equity increase.

CSUEU also made an economic proposal for FY 2008. In the event that once again, the state budget fails to provide the CSU with 1% more than “compact” funding, CSUEU proposed to keep the GSI at 3.942%, but reduce the amount dedicated to MSIs from 1.21% to 0.21%.

The intent of the union’s proposal for FY 2008 is to make our lobbying efforts easier next year. We strongly believe that it is easier to lobby state legislators for additional funds if those extra dollars are being used to reduce salary lags, thereby helping to recruit and retain essential CSU personnel. We told the CSU that this would make their lobbying efforts easier as well.

On September 20th, we received the CSU’s response – they rejected the union’s proposal. CSU stated that unless the union agrees that the .250% would be directed to “a few classifications with equity problems, we cannot agree to your Year 1 proposal.” The CSU also had “many issues” with our FY 2008/09 problem, but did not indicate what they were. Therefore, the parties have once more contacted PERB and are seeking the appointment of a State Mediator. We will continue to keep you informed.