



## CSU Salary Study

### Comprehensive Review of Non-Faculty Support Staff Salary Structure

#### Background

In 2021, Governor Newsom signed SB 129, which appropriated \$2 million to the CSU Chancellor's Office to evaluate the CSU support staff's existing salary structure.

Per the provisions in SB 129, the comprehensive review would evaluate the existing salary structure, examine issues of salary inversion and compression, and provide recommendations, if applicable, for alternative salary models for CSU non-faculty staff. The CSU Chancellor would then report the recommendations to the State Director of Finance and the Chair of the Joint Legislative Budget Committee for their review and consideration by April 30, 2022. Moreover, the budget language indicated that it is the intent of the Legislature that the recommendations and transitional and ongoing cost information from the evaluation will be incorporated into the CSU annual budget request. Given the timeline of the study, we are expecting this to be included in the May Revision.

The final report is required to include, at minimum:

- Advantages of any alternative salary model(s)
- Transition costs and ongoing costs associated with any alternative salary model(s)
- Recommendations for appropriate salary ranges
- Ways that alternative models address issues of salary inversion and compression

#### Overview of Study

In July and August of 2021, CSUEU (CSEA SEIU 2579) and the Teamsters 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.

The bargaining units are:

- Unit 1 – UAPD (AFSCME)
- Unit 2 – CSUEU
- Unit 3 – CFA
- Unit 4 – APC
- Unit 5 – CSUEU
- Unit 6 – Teamsters Local 2010

- Unit 7 – CSUEU
- Unit 8 – SUPA
- Unit 9 – CSUEU
- Unit 10 – IUOE
- Unit 11 – UAW
- Unit 13 – CSUEU
- Unit 14 – CSUEU

Based on feedback from the focus groups, Mercer's comprehensive review aimed to address three key items:

1. Remedy salary inversion and compression
2. Setting appropriate salary ranges
3. Transitioning to a new salary structure

#### Study Results and Recommendations

The study is now complete, and Mercer has determined that the CSU's wage structure issues can be addressed through a \$288 million budget augmentation. To arrive at this number, Mercer made a suite of findings, including:

1. Identified significant wage compression, meaning that new hire salaries are often extremely close to salaries of senior staff.
2. Determined 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. Recommended implementing 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, 3 additional steps assessed every two years, and a final step after three years.

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. We look forward to continuing to work with the Legislature to ensure that this process is successful and that we finally remedy these salary and staffing challenges that have persisted for far too long.

#### For More Information

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