

ARTICLE 5 COMPENSATION

A. YEAR ONE – ZONE COMPENSATION

- 1.** For year one (1) of this Agreement, the salary ranges for the HX Unit shall be a zone-based structure. A zone is a subdivision of the range establishing a minimum salary rate that corresponds to either years of continuous UC experience in the HX bargaining unit classification at the campus/hospital or continuous experience in the HX bargaining unit.

Pharmacist job family classifications shall be exempt from the zone compensation structure.

- 2.** The effective date of all range adjustments and salary increases described in Sections A.4 and A.5 below, shall be the first day of the biweekly or monthly pay date nearest to and following the effective date of this Agreement. Payment date shall not be more than one-hundred twenty (120) calendar days after the effective date of this Agreement.

- 3.** Salary ranges and zones for each title at each location for Year One appear in Appendix A-1. Actual rates may vary due to rounding.

- 4.** Salary Increases

- a.** Within-range general increases and/or market increases will be provided as reflected in Appendix A-1.

- b.** To be eligible for all Year One salary increases, employees must have non-probationary, career status, and must be on pay status or on approved leave in the bargaining unit on the effective date of the increase and on the date of the payout.

In addition, employees must have earned a rating of satisfactory or better performance on the most recent performance evaluation preceding the effective date of the increase.

- 5.** Zone Movement

- a.** Eligible employees whose salaries fall below the proper zone in their salary range after receiving any general and/or market increases, shall have their salaries adjusted to the proper zone, as determined by local practice.

- b.** If the employee's performance is rated as less than satisfactory in the most recent performance evaluation, then the University may determine not to move the employee to the next zone.

6. Increases Above the Maximum of the Range

Employees within the salary range who are not eligible for the full amount of the within range increase shall be compensated as follows:

- a. The employee's individual salary rate shall be raised to the maximum of the range and the amount above the range shall be paid in a one time, non-base building lump sum and coded in the payroll system as covered compensation, or
- b. The employee's individual salary rate shall be raised to the maximum of the range and the amount above the range shall be paid as a base building increase above the maximum of the range, or
- c. The maximum of the classification range shall be increased to encompass the full value of the increase the employee would have received had the employee not been at the top or near the top of the previous range.
- d. The selection of option a, b, or c above shall be at the non-grievable, non-arbitrable discretion of the campus or medical center.

7. Reclassification/Promotion

Upon upward reclassification and/or promotion during year one, an employee shall receive a salary increase of at least five percent (5%) or to the minimum of the range of the new classification, whichever is greater.

8. Order of Increases

If more than one salary adjustment takes place on the same date, actions occur in the following order:

- a. salary range adjustment
- b. general salary increase
- c. equity adjustments
- d. zone placement
- e. salary action resulting from promotion, reclassification, transfer, or demotion.

In the event an individual's salary remains below the new range minimum after the implementation of all base building increases, his or her salary will be increased to the new range minimum.

B. YEAR 2 – JULY 1, 2007 TRANSITION TO STEP COMPENSATION

- 1. The University will implement a step structure beginning in Year 2 of the contract for all career and limited status employees (including those in

probationary status) as outlined in Appendix A-2 of this agreement. Actual rates may vary due to rounding.

2. As outlined below, HX employees will have their individual salaries increased by a general salary increase, equity increase(s), if any, and then placed on the matching step; otherwise the next higher step.
3. For HX Bargaining Unit employees at Student Health Centers, funding for all of the above identified increases shall be provided consistent with the State Budget Act as finally adopted.
4. Order of Increases

If more than one salary adjustment takes place on the same date, actions occur in the following order:

- a. salary range adjustment
 - b. general salary increases
 - c. equity adjustments, if any
 - d. placement on steps
 - e. salary action resulting from promotion, reclassification, transfer, or demotion.
5. In the event an individual's salary remains below the new range minimum after the implementation of all base building increases, his or her salary will be increased to the new range minimum.
 6. Increases Above the Maximum of the Range

Employees within the salary range who are not eligible for the full amount of the within range increase shall be compensated as follows:

- a. The employee's individual salary rate shall be raised to the maximum of the range and the amount above the range shall be paid in a one time, non-base building lump sum and coded in the payroll system as covered compensation, or
- b. The employee's individual salary rate shall be raised to the maximum of the range and the amount above the range shall be paid as a base building increase above the maximum of the range, or
- c. The maximum of the classification range shall be increased to encompass the full value of the increase the employee would have received had the employee not been at the top or near the top of the previous range.
- d. The selection of option a, b, or c above shall be at the non-grievable, non-arbitrable discretion of the campus or medical center.

C. YEAR 3 – JULY 1, 2008 STEP COMPENSATION

1. Salary Range and Equity Adjustments

Salary ranges and rates for Year 3 appear in Appendix A-3. Actual rates may vary due to rounding.

2. Step Increases

Employees who have earned a rating of satisfactory or better on their most recent performance evaluation preceding the effective date of the increase, will receive a minimum of one step increase in accordance with local merit review programs. In no case will employees be paid above the maximum of the range.

For employees at the range max, the Campus or Medical Centers shall have the sole, non-grievable discretion to provide a one time, non-base building lump sum, coded in the payroll system as covered compensation.

3. For HX Bargaining Unit employees at Student Health Centers, funding for all of the above identified increases shall be provided consistent with the State Budget Act as finally adopted.

4. Order of Increases

If more than one salary adjustment takes place on the same date, actions occur in the following order:

- a. salary range adjustment
- b. equity adjustments, if any
- c. step increases
- d. salary action resulting from promotion, reclassification, transfer, or demotion.

D. YEARS 4 & 5 – JULY 1, 2009 & 2010 STEP COMPENSATION

Percentage increases will be subject to re-opener negotiations in the Spring of 2009. The following provisions outline the framework for the compensation model for Years 4 and 5 of the agreement.

1. Salary Range and Equity Adjustments

Range increases will be subject to re-opener bargaining.

2. Step Increases

Step movements/increases will be subject to re-opener bargaining.

3. Order of Increases

If more than one salary adjustment takes place on the same date, actions occur in the following order:

- a. salary range adjustment
- b. equity adjustments, if any
- c. step increases
- d. salary action resulting from promotion, reclassification, transfer, or demotion.

E. ANNUAL MARKET EQUITY LOCAL DISCUSSIONS

1. Upon the written request of the Union to the local labor relations office, the University and UPTE agree to meet at least once a year, no later than March 1st of each contract year (unless the parties agree otherwise), for purposes of engaging in a labor-management meeting, to be held locally, and for purposes of exchanging ideas and discussing market salary equity issues for the HX Unit. There will be no such meetings in March 2007 or March 2009 due to scheduled bargaining sessions.
2. UPTE shall submit the agenda items to be discussed fourteen (14) calendar days prior to the date of the meeting.
3. One bargaining unit employee will be released in a without-loss-of-straight-time pay status to attend scheduled meetings, provided UPTE has given the University at least fourteen (14) calendar days' notice of his/her selection. UPTE may request, and the University may allow, additional unit employees to attend the meetings. Additional attendees may be placed in a without-loss-of-straight-time pay status at the sole, non-grievable discretion of the University.

F. LAWRENCE BERKELEY NATIONAL LABORATORY

In the event that the University resumes work that was previously performed by HX employees at LBNL, the parties will meet and confer over wage rates to be implemented for employees at LBNL.

G. OTHER INCREASES

1. The University may increase salary rates, salary ranges, shift differentials, on-call rates and/or extend the coverage of such rates for selected classes at selected locations.
2. The University may adjust zones and/or steps during the life of the agreement.
3. The University shall notice UPTE headquarters a minimum of 30 days prior to implementing the adjustments referenced in G.1 and G.2 above.
4. Union and or employee requests for market equity review shall be submitted in writing to the appropriate local Office of Labor Relations and shall include:

- a. The specific name(s) & classifications of the individuals to be reviewed;
- b. The data upon which the equity adjustment is being requested.

The University shall notice UPTE headquarters a minimum of 30 days prior to implementing adjustments that may be granted pursuant to employee requests.

Decisions to either grant or deny market equity increases shall be at the sole, non-grievable discretion of the University.

5. Years 2, 3, 4 and 5 Reclassification and Promotion – Upon upward reclassification and/or promotion, an employee shall receive a salary increase of at least four percent (4%), then to next highest step (if between steps) or new range minimum.

H. BONUS AND INCENTIVE AWARDS

The program that was formerly known as the Incentive Award Program (IAP), has been abolished at all campus locations and the 0.5% funding of this program has been rolled into the general increase identified in Appendix A and Sections A - C above.

The University shall have the sole, non-grievable right to establish, continue, modify or abolish campus/hospital/laboratory incentive award programs.