

Memorandum of Understanding  
 between the  
**All Faculty Association**  
 and the  
**Sonoma County Junior College District**  
 regarding  
 Article 26: Salary Schedule Development  
 November 21, 2018

AFA and the District agree to modify the following provisions of Article 26.

**26.02 DEVELOPMENT OF CONTRACT SALARY SCHEDULE**

- A. **AFA Salary Data Study:** By January 1 of each year, AFA will compile the current contract salary schedule data in the highest non-doctorate class of salaries (equivalent to SRJC Class C) for each California community college district and construct rankings of all such districts (excepting "Basic Aid" districts and, effective 2015-16, the Ohlone District) by salary amount, for the minimum salary in that class, for the salary at the equivalent of Step 16 in that class, and for the maximum salary in that class.
- D. **COLA adjustment:** If the State funds a statutory COLA greater than 0.5% for the academic year, then all steps and classes of that academic year's salary schedules will be increased by the State statutory COLA as follows: ~~less 5%. Amounts at all steps and classes will be rounded to the nearest dollar.~~
  1. For a COLA of 3.0% or less, faculty shall receive COLA minus 0.5%;
  2. For a COLA of greater than 3.0%, faculty shall receive a 2.5% increase plus an increase of 50% of any portion of the COLA exceeding 3.0%.
  3. Amounts at all steps and classes will be rounded to the nearest dollar.

**26.03 DEVELOPMENT OF HOURLY SCHEDULES**

- C. **Instructional Hourly Salary Schedules:** Salary schedules for instructional hourly assignments will be determined by multiplying each cell of the Base Hourly Schedule by the appropriate pay factor given in Table 26.1. ~~(26.03-D).~~

Schedule	Normal Pay Factor	Enhanced Pay Factor
Lecture	1.86000	2.02000
<del>Laboratory, Fall 2016</del>	<del>1.41670</del>	<del>1.46500</del>
Laboratory, effective Spring 2017	1.459	1.508
CDCP	1.50000	1.54200
Non-Credit	1.33000	1.38000

**Table 26.1**

~~E. **Movement Toward Lab Equity.** Pay factors in the row titled, "Laboratory, effective Spring 2017" reflect the 2016 agreement between AFA and the District to move toward lab equity (see 32.02.B.2).~~

## **26.04 APPLICATION OF THE REVENUE CAP**

A. There shall be a Revenue Cap on the application of the salary formula set forth in Article 26.02 under which faculty payroll costs are capped at a fixed percentage of the District's adjusted unrestricted general fund (UGF) revenue as set forth in Article 26.04.

### **B. Definitions**

1. **Adjusted UGF Revenue.** For the purpose of calculating the Revenue Cap, the District's adjusted UGF revenue shall be for the year in which salary is being set and:

- a. include the sum total of all revenue received directly into the UGF,
- b. include the sum total of all transfers into the UGF from District funds other than the General Fund, less the first \$1 million
- c. exclude trust funds. For the purposes of this Article, excluded trust funds are funds that have all the following attributes:
  - 1) They are raised by groups within the District for a designated purpose that would not be funded but for the designated funds raised and held in trust by the District;
  - 2) The District does not exercise control over the funds and solely acts as a custodian and in a fiduciary role. If the District diverts any trust funds from the groups for whom the District holds them in trust, the funds shall be included in Adjusted UGF; and
  - 3) On District financial statements, they are classified as "amounts held in trust" and are not included as part of the District fund balance, and in Escape, are classified by a program code of 07xx, 08xx, or 09xx.

2. **Faculty Payroll Costs.** For the purpose of calculating the Revenue Cap, faculty payroll costs shall be for the year in which salary is being set and:

- a. include the sum total of all faculty salaries paid by the District from the UGF,
- b. include the sum total of the employer share of Medicare taxes, state unemployment insurance taxes, FICA, and workers' compensation insurance paid by the District on behalf of faculty from the UGF,
- c. include CalSTRS and other retirement benefits paid by the District on behalf of faculty from the UGF,

C. **Revenue Cap Percentage.** The percentage of adjusted UGF revenue that operates as a Revenue Cap on faculty payroll costs is 52.7 percent.

### **D. Application of and Exceptions to the Revenue Cap**

1. Application of the Revenue Cap. In any year that the application of Article 26.02 would cause faculty payroll costs to exceed the Revenue Cap set forth in Article 26.04.C, each cell of the salary schedule determined under Article 26.02 will be multiplied by the factor:

*(52.7% of Adjusted UGF Revenue) divided by (Faculty Payroll Costs as determined under Article 26.02)*

2. Article 26.04.D.1 shall be subject to the following exceptions:
  - a. No cell of the salary schedule will be reduced from the previous year.
  - b. If applying the statutory funded COLA to the previous year's faculty salary schedules would cause Faculty Payroll Costs to exceed the Revenue Cap set forth in Article 26.04.C, each cell of the faculty salary schedule determined under Article 26.02 will be multiplied by the factor:

*(Faculty Payroll Costs determined using the previous year's salary schedules with COLA applied) divided by (Faculty Payroll Costs as determined under Article 26.02)*

- c. The faculty adjusted salary schedule will revert to the Rank 10 salary schedule set forth in Article 26.02 in any academic year that the Management Team Salary Schedule is adjusted such that:
  - 1) the dollar amount of a step of any classification is increased,
  - 2) a step is added to any classification, or
  - 3) the district implements a reorganization that affects management positions, and results in a net increase in payroll expenses. For the purposes of this section a management position is affected if:
    - a) the classification of a management position is raised to a higher range without a commensurate increase in job duties; or
    - b) a new management position is created at a particular classification to replace an existing position at a lesser classification
- d. It is the mutual interest of AFA and the District to avoid the successive application of the Revenue Cap. The fiscal stability of the District is also a foundational interest of both AFA and the District. In the furtherance of these mutual interests, the District shall engage in meaningful, proactive steps to enhance revenues going forward, with the support and collaboration of AFA.
  - 1) Therefore, the faculty adjusted salary schedule will revert to the Rank 10 salary schedule set forth in Article 26.02 in any academic year where the conditions for applying the Revenue Cap would occur for a third consecutive academic year, unless the Chancellor's Office has determined that the District requires immediate fiscal crisis intervention pursuant to Section III.4 of Accounting Advisory FS0505.  
  
[https://extranet.cccco.edu/Portals/1/CFFP/Fiscal\\_Services/Standards/AcctgAdvisories/FS0505\\_Fiscal\\_Monitoring\\_Accounting\\_Advisory4.pdf](https://extranet.cccco.edu/Portals/1/CFFP/Fiscal_Services/Standards/AcctgAdvisories/FS0505_Fiscal_Monitoring_Accounting_Advisory4.pdf)
  - 2) In addition, no later than January 15 of the second year in which the Revenue Cap is being applied, the District will run a simulation and provide AFA with an initial prediction of whether known data indicates that the Revenue Cap would be triggered for a third year. If the January prediction is that the Revenue Cap would be triggered, the parties will immediately commence negotiations on Article 26. These negotiations shall be expedited, meaning that if the parties have not reached agreement by June 15, the matter shall be declared at impasse. The District shall also grant release time to facilitate the parties' ability to come to agreement before June 15.

3. **Timing of Revenue Cap Calculations**

- a. The District shall calculate Faculty Payroll Costs and Adjusted UGF Revenue for the year in which salary is being set based on its projected budget for that year, no later than one week after the state adopts a budget. For the purposes of transparency, the District will also run a simulation in January and May and provide this information to AFA.
- b. Within ten working days of AFA's request, the District shall provide AFA the written explanation of its calculations for Faculty Payroll Costs and Adjusted UGF Revenue.
- c. In any year in which an Article 26.02 salary increase is capped, the parties shall re-calculate Faculty Payroll Costs and Adjusted UGF Revenue based on the District's adopted budget for that year. If, upon re-calculation, Faculty Payroll Costs or Adjusted UGF Revenue would result in an upward adjustment to the faculty salary schedules as calculated under Article 26, the District shall make a one-time payment to faculty to cover the difference, unless the average individual adjustment is less than 0.5%, in which case the total amount of the adjustment shall be credited to AFA for its discretionary use. Payment of the adjustment, whether to faculty or AFA, shall occur no later than November 30<sup>th</sup>. This recalculation of the Faculty Payroll Costs or Adjusted UGF Revenue shall never result in a reduction of salary.
- d. After any year in which the Article 26.02 salary increase has been capped, the parties shall re-calculate faculty salaries using that year's actual Faculty Payroll Costs and actual Adjusted UGF Revenue. If this re-calculation results in an increase to the faculty salary schedules for that year as calculated under Article 26, the District shall make a one-time credit to cover the difference by a method mutually agreed-upon between the District and AFA. The one-time credit shall occur no later than 30 days after the District certifies its financial report (CCFS-311) for that year to the Chancellor's office.

E. **Revenue Cap Productivity Analysis and Trust Funds Reports.** In any year that the Revenue Cap is applied, the District shall produce a Productivity Analysis Report and provide it to AFA no later than December 1st. The report shall include the following information pertaining to the current Fiscal Year, with longitudinal comparison to the prior three years:

1. Information on management positions
  - a. A list of all positions created within the last 3 years, with title(s) and compensation
  - b. A list of all positions eliminated within the last 3 years, with title(s) and compensation
  - c. A list of all currently-filled management positions, with titles and compensation
  - d. A list of all currently vacant management positions, with titles and most recent compensation
2. Class size average
  - a. Aggregated
  - b. By campus – Santa Rosa/Petaluma
  - c. Online


3. Class cancellations due to low enrollment
  - a. Aggregated
  - b. By campus – Santa Rosa/Petaluma
  - c. Online
4. District-wide FTES
5. The District will provide a report detailing all trust revenues and expenses by October 15<sup>th</sup> for the previous fiscal year.

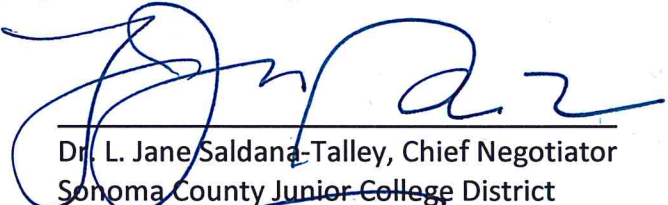
**26.05 COLLABORATION TO PROMOTE PRODUCTIVITY AND AVOID APPLICATION OF THE REVENUE CAP:**


In Spring 2019, the District shall create a workgroup with the support of AFA. The workgroup shall include participation of AFA, the Academic Senate, and the co-chairs of the Department Chairs Council, to identify and pursue funding opportunities and strategies for maximizing on-going state funding under the evolving funding formula in ways that are consistent with the college’s educational mission and the values expressed in its Strategic Plan, as of November 2018. To the extent a strategy or recommendation identified by the workgroup impacts the terms and conditions of employment, those impacts shall be negotiated with AFA before implementation. To the extent a strategy or recommendation falls within the 10 + 1 purview of the Academic Senate, it shall be referred to the Academic Senate. Specific responsibilities of the workgroup shall include:

- A. Identifying creative ways to increase faculty and management productivity under the terms set forth in the new funding formula, in ways that are consistent with the college’s educational mission.
- B. Studying the evolving funding formula to ensure that the workgroup is applying accurate definitions of productivity, and to enable the college to make accurate predictions about funding in future academic years, as well as identifying creative and student-focused ways to increase revenues.
- C. Pursuing creative ways to increase enrollment, including online and dual enrollment, in ways that are productive of revenue under the new funding formula, and consistent with the college’s educational mission.
- D. Working to identify (not negotiate) areas of UGF faculty compensation that may reasonably and legally be reallocated to categorical funding.
- E. “True up” class size maximums for in person classes, to the highest non-outlier class size. The true up will not result in an averaging of class sizes. The Parties agree that the true up is not for the purpose of negotiating class size maximums.

  
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 Dr. Terry Mulcaire, Chief Negotiator  
 All Faculty Association

  
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 Dr. Karen Frindell Teuscher, President  
 All Faculty Association

  
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 Dr. L. Jane Saldana-Talley, Chief Negotiator  
 Sonoma County Junior College District

  
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 Dr. Frank Cheng, President/Superintendent  
 Sonoma County Junior College District