

Memorandum of Understanding
Between the
California School Employees Association and its Merced College Chapter 274
And
Merced Community College District

Longevity Eligibility: Redress of CalPERS Audit Findings

The parties to this Memorandum of Understanding (“MOU”) are the California School Employees Association and its Chapter 274 (“CSEA”) and the Merced Community College District (“District”).

WHEREAS, CalPERS performed an audit of a retiree in another bargaining unit and found the following:
Longevity Pay that is offered also does not meet the definition of Longevity Pay as defined in the California Public Employees’ Retirement Law, or the requirements of C.C.R. 571 (b).

-“Longevity Pay: Additional compensation to employees who have been with an employer, or in a specified job classification, for a certain minimum period of time exceeding five years”

-“C.C.R. 571 (b)(2): Available to all members of the group or class”

While the MOU language does go on to clarify that the eligibility requires a minimum of five years with the District to receive this pay type, the added requirements of being only offered to employees who have reached the maximum step (7) of their range adds a level of requirement that does not align with the PERL’s definition of Longevity Pay which is strictly for exceeding 5 years of service. This modification does not qualify as Longevity Pay. Additionally, the modification creates a group or class issue by only offering the Longevity Pay to employees who are at the Top Step of their classification, where other employees in the same group or class with more than 5 years of service in their classification but have not achieved Top Step status do not receive this pay. This group or class issue would not meet the requirements of C.C.R. 571 (b)(2); and

WHEREAS, the above finding also applies to the CSEA collective bargaining agreement and unit members, and

WHEREAS, the parties agreed to bargain a remedy to the audit finding in order to ensure that unit members receive credit for longevity earnings upon retirement,

WHEREAS, the parties agree that the intent of the solution was to maintain the intent of the current application of longevity while meeting the requirements of C.C.R. 571(b),

THEREFORE, the parties agree to the following deletions and additions to Article 16, Pay and Allowances:

Step Increase Longevity: A step increase will be given at the beginning of each fiscal year except for those who have not rendered more than four (4) months of satisfactory service. ~~After an employee reaches the maximum established for their classification and has five years of service, they shall be paid a one percent (1%) increment after each additional year of service, until officially retired.~~

Longevity: On July 1 of the employee’s eighth year of employment as a unit member with the District, the bargaining unit member will be eligible for a 1% annual longevity increase.

Pay Upon Promotion: When an employee is successful in earning a promotional position (a position in a higher range), the employee shall be placed at a step that results in at least a 5% pay increase to base salary, except that no employee shall be placed higher than Step 7 – the top step of the salary schedule, which may result in a less than 5% increase. An employee who had earned longevity prior to promotion will maintain their longevity years of service upon promotion.

This agreement is effective upon ratification by the membership and adoption by the Board and shall remain in effect until the next successor agreement is opened, at which time the content of this MOU will be included in the successor agreement or the parties will bargain new language for longevity eligibility.

For CSEA Chapter 274

Sandi Goudy

Chief Negotiator

Feb 14, 2022

Date

For the District

Chris Vitelli

Chris Vitelli
Superintendent/President

Feb 14, 2022

Date

For Association

Skyler Porras

Skyler Porras (Mar 2, 2022 15:58 PST)

Labor Representative

Mar 2, 2022

Date