

ARTICLE 36 WAGES

A. GENERAL PROVISIONS

1. Eligibility and Effective Dates

- a. Employees covered by this Agreement shall be compensated in accordance with step structures which shall be established in accordance with the provisions outlined in Section C, below.
- b. Wage increases shall be effective on the first full biweekly or monthly pay period on or after the effective date of the increase.
- c. The initial wage structure shall remain in effect until implementation of the step structure as described in Section C except as modified by the increases in Section B unless modified by mutual agreement.

2. Title Code System Lookup (TCS)

- a. Once established, applicable wage rates will be reflected on the Corporate Title Code System Lookup (TCS) at: <https://tcs.ucop.edu/home>. In the event this web page expires and is replaced by a new title code system and corresponding web page, the University will provide thirty (30) calendar days' notice to the Union advising where such title code and wage rate information can be found online. The parties recognize that the actual wage rates paid to employees may vary slightly due to rounding.

3. Order of Increases

- a. If more than one wage adjustment takes place on the same date, actions occur in the following order:
 - i. Across the board pay range adjustment
 - ii. Individual step increase
 - iii. Individual equity increase
 - iv. Increase resulting from promotion or reclassification
 - v. Increase to the minimum of the pay range

B. ACROSS THE BOARD WAGE INCREASES

Following receipt of written notification from the Union of its ratification and acceptance of the entire Agreement with the University of California, the University will implement the following wage increases, within one hundred and twenty (120) calendar days, in accordance with the provisions of this Article:

1. Effective July 1, 2026, all employees shall receive a five percent (5%) increase to their base rate of pay. This increase will be applied to the base rate of each employee as well as the minimum and maximum rates of the pay ranges for each title.
 - a. Effective January 1, 2027 all current non-probationary career employees with an overall performance evaluation rating of satisfactory (or equivalent) or above, shall receive a one percent (1%) base building increase. Employees hired after January 1, 2027 are not eligible for this payment.
 - b. Within ninety (90) calendar days of ratification, all employees shall receive a one-time non-base building lump sum payment equal to one percent (1%) of base salary, which shall be treated as retirement eligible compensation. Employees hired after the date of ratification are not eligible for this payment.
2. Effective July 1, 2027, all employees shall receive a five percent (5%) increase to their base rate of pay. This increase will be applied to the base rate of each employee as well as the minimum and maximum rates of the pay ranges for each title.
3. Effective July 1, 2028, all employees shall receive a four percent (4%) increase to their base rate of pay. This increase will be applied to the base rate of each employee as well as the minimum and maximum rates of the pay ranges for each title.
4. Effective July 1, 2029, all employees shall receive a four percent (4%) increase to their base rate of pay. This increase will be applied to the base rate of each employee as well as the minimum and maximum rates of the pay ranges for each title.

C. STEP ESTABLISHMENT

1. Within sixty (60) calendar days of ratification, the University will establish a systemwide committee to begin the process of creating step structures for eligible bargaining unit covered positions (Initial Development Phase). The University will meet with the Union at least twice during the Initial Development Phase to talk through the process and work being performed and get the Union's feedback. Development of step structures will incorporate the following factors:
 - a. Structures having a minimum of eighteen (18) steps.
 - b. Two percent (2%) progression between steps.
 - c. The minimum salary shall be no lower than the minimum in a given grade as of the date of implementation.
 - d. Structures targeting market composite rates at the fiftieth (50th) percentile step.
 - e. Market composite rates developed from publicly available as well as proprietary sources of data reflecting geographic differentials.
 - f. Local compensation practices.
 - g. Equity among similar positions.

- h. Advancement opportunities within and between job families.
 - i. Employees will be placed no lower than the nearest step that is not below their current rate of pay.
 - j. Employees with rates below the initial step will be raised to step 1.
 - k. Placement onto the step scale shall take into account years of service.
 - l. Employees above the top step will be red circled.
 - m. If significant numbers of employees lie outside the range for a given position, further analyses will be conducted to determine if adding additional steps is appropriate.
2. Once the committee has established draft structures and steps, and no later than January 1, 2027, the step structures will be provided to the Union for its review. Within thirty (30) calendar days of such information being provided, the Union and representatives of the committee will meet regarding the structures, methodology and supporting data. The committee will make any necessary adjustments to the structures based on the Union's feedback.
 3. Within sixty (60) calendar days of such information being provided, the Union and University will meet and confer regarding the step structures. After the parties have reached agreement through this process, the step scales shall be implemented and bargaining unit members shall be placed onto them effective July 1, 2027.
 4. If the parties fail to reach agreement through this process regarding the creation of these step structures, the expedited impasse procedures set forth below in Section D shall apply.

D. EXPEDITED IMPASSE PROCEDURES

1. If either party believes there is an irresolvable dispute regarding the creation of these step structures the parties agree that they will jointly declare impasse and file a request to PERB for an impasse determination. The joint request will be filed within two (2) business days of a party notifying the other of its belief that there is an irresolvable dispute under this paragraph. The joint request will ask that mediation begin within fifteen (15) calendar days of the date the joint request is submitted.
2. After at least two (2) full days of mediation, either party may provide notice that mediation should be ended. Within fifteen (15) calendar days of either party providing notice that mediation should be ended, the parties agree to jointly request to PERB and the mediator that their differences be submitted to a fact-finding panel.
3. Fact finding will consist of a tripartite panel. The University will appoint one (1) panel member, the Union will appoint one (1) panel member, and the parties will mutually agree upon a person to chair the fact-finding panel in lieu of a chairperson selected by the Board.
4. If within thirty (30) calendar days from initiation of fact finding the parties are unable to reach agreement as to the neutral panel member the parties will meet to select from a list

of five (5) arbitrators that will be agreed to within forty-five (45) days of ratification. If the parties cannot agree on a list of five (5), Appendix B – Panel of Arbitrators will be used in lieu.

5. The parties will flip a coin to determine which side has the first strike. The parties will alternate striking and the last remaining name will serve as the neutral.
6. If the selected neutral declines to serve, the second-to-last struck arbitrator shall be asked to serve and so forth until the panel is exhausted.
7. The parties will submit proposals for the step structure to the panel, along with evidence and oral argument.
8. The parties agree to jointly request that the fact-finding panel issue a report no later than two (2) months after the initiation of fact finding.
9. Nothing precludes the parties from reaching agreement upon the step structure at any time.
10. The parties will meet at least twice after the fact-finding report is issued to attempt to reach agreement. These meetings will start within one (1) month after the fact-finding report is issued. If an agreement cannot be reached by July 1, 2027, the parties have the post impasse rights provided for under the law. Additionally, if an agreement cannot be reached, the prohibition on strikes related to step bargaining set forth in Article 17 – No Strikes/No Lockouts will be lifted until an agreement is reached. All other terms of Article 17 – No Strikes/No Lockouts will remain in full force and effect. Once an agreement is reached, all prohibitions on striking in Article 17 – No Strikes/No Lockouts will be reinstated.

E. STEP INCREASES

1. Following transition of employees to step structures, the following wage actions will be implemented:
 - a. Effective January 1, 2028, the University shall provide a one (1) step within range increase to non-probationary career employees with an overall performance evaluation rating of satisfactory (or equivalent) or above. Prior to implementation of employee level step increases, one (1) additional step will be added to the top of each agreed to structure.
 - b. Effective January 1, 2029 the University shall provide a one (1) step within range increase to non-probationary career employees with an overall performance evaluation rating of satisfactory (or equivalent) or above.
 - c. Effective January 1, 2030, the University shall provide a one (1) step within range increase to non-probationary career employees with an overall performance evaluation rating of satisfactory (or equivalent) or above.

- d. In the event that employees have not been placed on steps by the effective dates of the wage actions outlined in Section C, step-eligible employees will receive a base building wage adjustment of 2% as a proxy in lieu of a step increase.
2. Nothing precludes the University from hiring new employees above step 1.
3. Nothing precludes the University from advancing employees more than one step per year.

F. AWARD PROGRAMS

Employees are eligible for the STAR awards program in the same manner as other eligible staff employees at the location.