



San José State
UNIVERSITY

Office of Faculty Affairs
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To: Deans

From: Joan Merdinger
AVP/Faculty Affairs

RE: FERP and Additional Employment

Since 2004, San José State University has enforced a policy that faculty participating in the Faculty Early Retirement Program (FERP) could not have additional employment through the SJSU Research Foundation. This prohibition was based upon an interpretation by the Chancellor's Office of two provisions in the CFA-CSU Agreement as stated in the following articles:

29.14 ... participants shall not be eligible for other CSU appointments while in the FERP.

36.1 Additional employment shall refer to any employment compensated by CSU, funded by the general fund or non-general funds including CSU auxiliaries, that is in addition to the primary or normal employment of a faculty unit employee.

In this interpretation, "other CSU appointments" in 29.14 was deemed to be equivalent to "additional employment" in 36.1, and thus, prohibited for faculty in FERP.

A number of campuses have had conversations with the Chancellor's Office over the past few months about reconsidering this prohibition. The Chancellor's Office representatives now conclude that the restriction on other CSU appointments was intended to comply with CalPERS limitations on the amount of work retired annuitants (including participants in FERP) are permitted to perform in institutions covered by CalPERS. It was not necessarily intended to prohibit grant appointments in Foundations that are not themselves PERS employers. At the same time, they have concluded that it is also reasonable to interpret the meaning of "other CSU appointments" in 29.14 as excluding appointments through auxiliaries, which are legally separate employers. Since the language is inconclusive, and the benefits to both employees and the university are so striking, the Chancellor's Office has agreed to modify its interpretation of the above Agreement articles, allowing faculty in FERP to have additional appointments as long as the auxiliary is not a CalPERS employer.

The California State University:
Chancellor's Office
Bakersfield, Channel Islands, Chico,
Dominguez Hills, East Bay, Fresno,
Fullerton, Humboldt, Long Beach,
Los Angeles, Maritime Academy,
Monterey Bay, Northridge, Pomona,
Sacramento, San Bernardino, San Diego,
San Francisco, San José, San Luis Obispo,
San Marcos, Sonoma, Stanislaus

Since the SJSU Research Foundation is not a CalPERS employer, that means that, as of the date of this memo, SJSU faculty participating in FERP may have additional employment through the SJSU Research Foundation up to normal limits set by the CFA-CSU Agreement. You may inform faculty currently participating in FERP and those planning to participate of this welcome change in policy.

c: Gerry Selter, Interim Provost
Pam Stacks, AVP/Graduate Studies and Research
Mary Sidney, Chief Operating Officer, SJSU Research Foundation
Jerri Carmo, Deputy Chief Operating Officer, SJSU Research Foundation