

PROPOSED STAFF AND ACADEMIC REDUCTION IN TIME PROGRAM

I. PROGRAM OBJECTIVE

The Staff and Academic Reduction in Time (START) Program is a temporary tool that department heads may offer to their organizations to address the current serious budget deficit facing the University. Under the program, eligible staff and academic personnel may volunteer to reduce their time and corresponding pay in exchange for a number of advantages described below. Approval of an employee's participation in the program is contingent upon departmental business operations and workload needs.

The program commences on July 1, 2008 and will end on June 30, 2010.

II. ELIGIBILITY

All regular status (non-probationary career) staff employees and all academic personnel, except those in faculty¹ and student academic titles and Postdoctoral Scholars, are eligible to participate in START.

Participation in the START Program for represented employees is dependent upon agreement by the applicable union.

III. PLAN

A. Time Reductions. Eligible employees volunteer to reduce their time from a minimum reduction of 10 percent to a maximum reduction of 50 percent of full-time as long as participants' work schedules are not reduced below 50 percent time in any given month of participation. Time reductions are made in monthly increments or two bi-weekly increments for employees paid on a bi-weekly basis. The minimum reduction is one month or two bi-weekly periods for employees paid on a bi-weekly basis.

Employees are required to complete a START contract prior to their participation in the program. Contracts may begin and end in any month between July 1, 2008 and June 30, 2010.

An eligible employee may participate in START more than one time, as long as participation ends by June 30, 2010.

B. Work Schedules. Reduced work schedules are at the convenience of the department and approved by the department head, based on business operations and workload needs.

¹ See APM 110-4, (14) for a list of faculty titles.

- C. Time Reduction Changes.** The time reduction under a START contract may be changed during the term of the contract with approval by the department head and the employee and with 30 days advance notice. The effective date of the change is the first monthly or the first bi-weekly pay-period of the month following receipt of the employee's 30-day notice.
- D. Early Termination.** Participation may be terminated by the employee or the department head by giving 30 days advance notice of intent to terminate the START contract. The effective date of the termination is the first monthly or the first bi-weekly pay-period of the month following the 30-day notice. Advance notice of termination will be waived if an employee or department is faced with an emergency situation.
- E. Conclusion of a START Contract.** At the conclusion of a START contract, the participant returns to his or her pre-START percentage of time and salary (including merit increases and other adjustments to salary received while participating in START). The right of return to the prior percentage of time and salary will apply unless the employee is subject to layoff or a reduction in time pursuant to the applicable personnel program or collective bargaining agreement.
- F. Complaint Resolution.** A department head's decision to not implement START is not subject to review under the applicable personnel policy or collective bargaining agreement.

In a department that is participating in START, a management decision denying an individual request to participate in START or a complaint about the implementation of certain program features may be subject to review under the applicable personnel policy or collective bargaining agreement.

IV. BENEFITS OF PARTICIPATION

In return for a voluntary reduction in time, program participants will:

1. accrue, on a month-by-month basis, vacation and sick leave credits at the rate accrued prior to the commencement of START (vacation and sick leave credits accrued during participation in START will be reduced by a leave without pay or other periods of time off pay status not reflected in the START contract);
2. accrue, on a month-by-month basis, UCRP service credit at the rate accrued prior to commencement of the program, provided that the employee is on pay status for at least 50 percent time during each month of participation (UCRP service credit accrued during participation in START will be reduced by a leave without pay or other periods of time off pay status not reflected in the START contract); and
3. be eligible for UCRP retirement benefits or a Lump Sum Cashout, death benefits, and/or disability income based on the unreduced salary used to derive both Highest Average Plan Compensation (HAPC) and final salary, provided that the employee is on pay status for at least 50 percent time during each month of participation.

V. APPROVAL

- A. In all cases, participation in START requires approval by the department head. Locations may specify additional levels of approval.
- B. A START contract specifying the reduced percentage of time and the begin and end dates of the contract must be signed by both the employee and the department head.

VI. EFFECT ON BENEFITS

- A. **Health Plans.** Health plan benefits (medical, dental, and vision) will continue during participation in START since time on pay status cannot be reduced below 50 percent under the START program. Monthly costs of premiums depend on the plan and the coverage chosen, as well as the employee's Medical Contribution Base (MCB). An employee's full-time salary rate on January 1 of the previous year or on the hire date (whichever is later) is used to determine the MCB for the current year. The MCB will not be impacted by a START reduction.
- B. **Short-Term and Supplemental Disability Benefit Payments.** Disability benefit payments for both the Short-Term Plan and the Supplemental Plan will be based on a START participant's pre-START salary. Premiums for the Supplemental disability plan will continue to be calculated on the full-time rate.
- C. **Workers Compensation Payments.** Disability benefit payments received pursuant to the Workers' Compensation Act will be based on a START participant's START salary. Departments shall supplement these payments so that the aggregate benefit is equivalent to what would have been received if the payment was based on the pre-START salary.
- D. **Basic Life Insurance.** Basic Life Insurance coverage will continue at the pre-START rate and the percent time of your appointment until the following January 1 at which time coverage will be based on the salary rate in effect at that time. Supplemental life insurance premiums and coverage will continue at the pre-START salary rate.
- E. **Dependent Care and Health Care Reimbursement.** Dependent Care Reimbursement Account (DepCare) and/or Health Care Reimbursement Account (HCRA) will continue at the same level unless the START participant changes his or her election during a Period of Initial Eligibility (PIE) or an open enrollment period.
- F. **403(b) and 457(b) Plans.** If a participant's contributions are based on a percentage of earnings, the contributions during START will be lower. Participants may adjust their contribution amount or the percentage contributed to these plans at any time.
- G. **Defined Contribution Plan.** Since contributions to the Defined Contribution Plan are based on a specific percentage of eligible salary, contributions will be lower.

H. Social Security and Unemployment Benefits. Since Social Security and Unemployment Insurance benefits are calculated based on earnings, these benefits may be lower depending on the amount of a participant's earnings.

VII. SPECIAL SITUATIONS

A. Transfer or Promotion to Another Position. Continued participation in START when an employee is transferred or promoted to another position in the same or different department will be subject to approval of the relevant department head (i.e., new department head if transferred or promoted out of the department).

B. Exempt Employees. Although exempt employees are normally expected to work their appointment percentage, greater emphasis is placed on meeting the responsibilities of the employee's position than on working a specified number of hours. For this reason, it is important that supervisors make appropriate workload adjustments for exempt employees who participate in START.

C. Indefinite Layoff or Reduction in Time. In the event of a layoff or involuntary reduction in time, should one become necessary while participating in START, program participants will be:

1. granted recall rights according to a START participant's pre-START percentage of time; and will be
2. granted rehire/transfer rights according to the START participant's pre-START percentage of time.
3. granted severance according to the START participant's pre-START percentage of time.

Seniority for determining the order of layoff will be calculated as though the reduction in time under START had not occurred.

D. Time off Pay Status. Time off pay status, such as a leave without pay or a temporary layoff, will not automatically terminate or extend a START contract.

E. Part-Time Employees. Employees whose time is reduced either voluntarily or involuntarily prior to START may participate in START by agreeing to an additional reduction in time that is at least 10 percent of full-time, subject to the requirement that time not be reduced below 50 percent.

F. Members of Other Retirement Systems. Employees who are members of other retirement systems and who otherwise meet the eligibility requirements for START may participate in START. Members of these plans, however, will not receive credit for retirement enhancements for participating in START. Employees should contact their plan's customer service department for more information about the impact of START on their pension, service credit, and retirement disability benefits.

VIII. PROCEDURES

A. Documentation

1. A START contract, U270, must be completed and signed by both the START participant and the department head to initiate a START contract.
2. A START contract Amendment, U271, must be completed and signed by the START participant and the department head when a START contract is terminated early or the percentage of time reduction is changed.
3. Both forms must be completed and entered into the campus payroll in accordance with local payroll operational deadlines.
4. The home department is the office of record for both forms. Following local procedures, copies of the forms are to be provided to the employee, the local Human Resources or Academic Personnel Office, and to Retirement Administration at the Office of the President.
5. Forms are retained for 5 years after separation, except in cases of disability or retirement in which case such forms are retained until age 70.

B. Local Procedures. Locations are authorized to develop local implementing procedures consistent with these parameters.