

**UC Berkeley Campus Salary and Time Reduction Program
Frequently Asked Questions (FAQ)**

PROGRAM DETAILS AND FAQ ANSWERS MAY CHANGE

The following FAQ is based on the information available to campus as of January 7, 2021 and is subject to approval by the UC Office of the President and changes based on additional information that we expect to receive in the coming weeks.

1. **Q: What is the Salary and Time Reduction Program (the “Program”)?**
A: As described below, the Program consists of two Plans: (1) the Furlough Plan for non-represented academics, faculty and staff and represented employees whose collective bargaining units opt into the Furlough Plan, and (2) the Reduction in Time Plan for represented employees who are not part of the Furlough Plan.

2. **Q: When will this Program start and how long will it last?**
A: The Program starts on February 1, 2021 for both the Reduction in Time Plan and the Furlough Plan. The Reduction in Time Plan will last 120 days, with a possible 120 day extension in 2022, and the Furlough Plan will last 12 months, with a possible 6 month extension in 2022. Your paycheck in February/March (the first full pay period in February for bi-weekly employees and the March 1 paycheck for monthly employees) will be the first to reflect the applicable salary reductions and/or reductions in time. As explained below, the amount of deduction each pay period will depend on if you are in the Reduction in Time Plan or Furlough Plan.

	Reduction in Time Plan 120 Day Program		Furlough Plan 12 Month Program		
	Represented Employees*		Non-Represented Academics, Faculty, Staff		
Tier	Non-Exempt Reduction in Time (Hours/Week)	Exempt Reduction in Time (Days Per 120 Days)	Salary Reduction	Non-Exempt Furlough (Hours/Week)	Exempt Furlough (Days per 12 Months)
Tier 1 (\$59,000 and below)	0	0	0.00%	0	0
Tier 2 (\$59,001 to \$89,000)	1.0	2	0.76%	.25	2
Tier 3 (\$89,001 to \$118,000)	2.0	4	1.54%	.5	4
Tier 4 (\$118,001 to \$176,000)	3.5	6	2.30%	1.0	6
Tier 5 (\$176,001 to \$234,000)	3.75	8	3.06%	1.25	8

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Tier 6 (\$234,001 and above)	4.75	10	3.83%	1.5	10
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*These reductions in time apply unless the employee’s bargaining unit has opted into the Furlough Plan.

3. Q: Why is the Reduction in Time Plan shorter? Is this a better deal for represented employees?

A: No, this is not a “better deal” for represented employees. The total reduction in time for Reduction in Time Plan participants and Furlough Plan participants is the same, but the Reduction in Time Plan participants have only 120 days to take the reductions. Thus, even though the Reduction in Time Plan has a shorter duration (120 days vs. 12 months), the weekly reductions in time for non-exempt employees are larger to offset the shorter duration and for exempt employees they must have the full amount of their days reduced within the 120 days of the Reduction in Time Plan (instead of within 12 months under the Furlough Plan). For example, an exempt employee in Tier 2 will have their time reduced by two (2) days during the 120 days of the Reduction in Time Plan.

4. Q: How will furlough time affect an employee’s paycheck if they are in the Furlough Plan?

A: If you are participating in the Furlough Plan (as of December 8 this includes all non-represented academics, faculty and staff), your paycheck will be reduced by your Tier’s percentage for the duration of the Program no matter when you take your furlough time (within the time limits of the Program). For example, if you are an employee in Tier 2, your paycheck will be reduced .76% each pay period.

5. Q: How will reductions in time affect an employee’s paycheck if they are in the Reduction in Time Plan?

A: If you are in the Reduction in Time Plan, you will only be paid for the hours worked during the pay period and your reductions will not automatically be spread evenly across each pay period of the Program. There could be pay periods when your time is reduced more than others and this would result in fluctuations in your pay. For example, a full-time non-exempt employee in Tier 2 would normally have their time reduced a total of two hours over one pay periods (one hour per week) but if the supervisor arranges with the employee to reduce time by one hour all in one pay period, the employee would be paid for 78 hours in that pay period when the time was reduced. Supervisors will have the authority to work with these employees to “bundle” such reductions in time.

6. Q: Who is included in the Furlough Plan? Can I choose if I want to be in the Furlough Plan?

A: Individual employees cannot choose whether or not they want to be included in the Furlough Plan. Subject to the applicable exceptions, all non-represented employees are in the Furlough Plan. Represented employees are included in the Reduction in Time

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Plan unless their bargaining unit has chosen to join the Furlough Plan. We will begin noticing bargaining units to solicit their participation in the furlough portion of the Program on December 9, 2020.

7. Q: What difference does it make if I am in the Furlough Plan or Reduction in Time Plan?

A: If you are in the Furlough Plan your service credit and highest average plan compensation (HAPC) salary calculations are protected for retirement purposes. In addition, the salary reductions will be spread evenly across your paychecks for the duration of the Program regardless of when you take the furlough time. For example, if you are a non-exempt employee in Tier 3 and in the Furlough Plan, you will have 30 minutes per week of furlough time that you must use before the conclusion of the Program. If you are an exempt employee in Tier 3 you will have 4 furlough days that you must use before the conclusion of the Program. Both non-exempt and exempt employees (in consultation with their supervisors) can bundle together their furlough time. For example, an employee in Tier 3 might be able to arrange a schedule that has them use all of their furlough time (26 hours total for a non-exempt employee or 4 total days for an exempt employee) in one pay period but the financial impact of those reduced hours/days will be spread across all pay periods of the Program rather than in just one pay period. If you are in the Reduction in Time Plan your paycheck will be reduced by the full amount of the reduction in time in the pay period when you take the reduction in time.

8. Q: Are all UC Berkeley employees participating in the Program?

A: Yes, with limited exceptions discussed below, all staff (represented and non-represented employees), faculty, and certain academic titles (represented and non-represented) have been included in either the Reduction in Time Plan or the Furlough Plan.

9. Q: Are employees funded by externally sponsored contracts or grants included in the Program?

A: Yes. There are no broad exemptions for employees who are 100% funded by externally sponsored contracts or grants. If participation in the Program would cause you to be out of compliance with the terms of the external funding source, please work with the leadership of your business unit. The no broad exemptions policy reflects the Chancellor's view that this should be a shared burden; there will be only the bare minimum of exceptions granted to the furlough. Consequently, unlike the situation in the 2009–10 furlough, even those employees on fund sources other than campus funds will participate. To have different individuals who are doing similar jobs at similar pay be treated differently solely on the basis of their funding source is inconsistent with the campus's notions of fairness and equity.

Employee Groups excluded from the Program

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10. **Q: Are employees on H1-B and similar visas included in the Program?**
A: Employees working on H1-B visas and similar visas are excluded from the Program because salary changes could potentially invalidate their visas.
11. **Q: Are Postdocs included in the Program?**
A: Postdocs are excluded from the Program.
12. **Q: Are Graduate Student Researchers (GSRs) included in the Program?**
A: Graduate Student Researchers are excluded from the program.
13. **Q: Are GSIs/UGSIs, Readers, and Tutors (titles covered by the UAW BX bargaining unit) included in the Program?**
A: Because of the nature of their assignments, it is not possible to reduce their time to obtain salary savings, so they are not included in the Program.
14. **Q: Are Lecturers (titles covered by the UC-AFT IX, or Unit 18, bargaining unit) included in the Program?**
A: Lecturers and other Unit 18 titles are excluded from the program. Because of the nature of their assignments, it is not possible to reduce their time to obtain salary savings.
15. **Q: Are Academic Researchers included in the Program?**
A: Yes. Academic Researchers who are part of the UAW 5810 bargaining unit are included in the Reduction in Time Plan. Non-represented Academic Researchers are included in the Furlough Plan.
16. **Q: Are student (casual restricted) employees included in the Program?**
A: No.

Retirement Protections for Salary and Service Credit

17. **Q: Will the Program impact my retirement?**
A: For employees participating in the Furlough Plan, your highest average plan compensation (HAPC) salary calculations and service credit are protected for retirement purposes. For represented employees in the Reduction in Time Plan, your service credit and HAPC will be protected for retirement purposes if your union agrees to the join the Furlough Plan. We will begin noticing unions and soliciting their participation in the Furlough Plan on December 9, 2020.
18. **Q: Will my salary calculation, the highest average plan compensation (HAPC), for retirement purposes remain unaffected by this Program?**
A: Yes, for employees participating in the Furlough Plan. HAPC (highest average plan compensation) is defined as the average of your 36 continuous months of highest covered compensation — based on full-time equivalent up to the applicable compensation limits. Please refer to the [University of California Retirement Handbook](#) for additional detail about HAPC.

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Use of Furlough Time

19. **Q: How many minutes or days of furlough time do I have to use at one time?**
A: Non-exempt employees must use their furlough time in 15 minute increments. Exempt employees must use their furlough time in full day increments.
20. **Q: Can the furlough time be used in January 2021 even though salary reductions do not start until February 2021?**
A: Yes, a new leave code “furlough” will be added into Caltime and will be available in January, 2021.
21. **Q: Will employees be able to take their furlough time whenever they want?**
A: Employees need to coordinate the use of their furlough time with their supervisors, similar to how the use of a vacation day needs to be coordinated. Employees must schedule and exhaust their furlough time by the last day of the Program, tentatively set for January 31, 2022, provided that there is no extension. For faculty, the use of furlough days is still to be determined.
22. **Q. Can an employee take their furlough time “all at once”?**
A: Employees need to coordinate the use of their furlough time days with their supervisors, similar to how the use of a vacation day needs to be coordinated. Employees must schedule and exhaust their furlough time by the last day of the Program, tentatively set for January 31, 2022, provided that there is no extension. Supervisors are expected to monitor the furlough time in their units to ensure that all hours and days are used and that people do not work on their furlough days or during furlough hours.
23. **Q: Will there be a field added in CalTime (similar to sick and vacation leave) to track furlough time?**
A: Yes. We are planning to implement a field in CalTime similar to what was added for Covid-19 Paid Administrative Leave.
24. **Q: Will faculty be allowed to use furlough days as consulting days (i.e., will there be a temporary increase to the maximum number of allowable consulting days)?**
A: Yes, the maximum number of consulting days will be increased by a faculty member's number of required furlough days. All compensated outside activities must be reported as outlined in APM 025.
25. **Q: Can furlough hours or days be used during curtailment?**
A: Starting January 4, 2021 people can start using their furlough time, including on a curtailment day. Employees cannot be required to use furlough time on a curtailment day. In addition, if you use furlough hours on a curtailment day (instead of using vacation time), you will be paid for that day.

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26. **Q: How will furlough days work for faculty?**
A: This is still under discussion.
27. **Q: Is an employee allowed to work on a day when they use furlough time?**
A: Exempt employees, who must use their furlough time in full day increments, are not permitted to perform any work on a furlough day. Non-exempt/hourly employees might work on a day that they are also taking furlough hours, depending on the schedule they have arranged with their supervisor, but they should not work during furlough hours.
28. **Q: How will campus ensure that supervisors do not expect employees to work during their furlough time?**
A. If an employee is unable to resolve this concern directly with a manager, an employee can file a complaint if they are obliged to work during their furlough time. Alternatively, a supervisor can initiate discipline if an employee insists on working during furlough time.
29. **Q: Will an employee's paycheck change depending on the number of furlough hours or days they use in a pay period?**
A: No. For employees in the Furlough Plan, the salary reduction will be applied each pay period (bi-weekly or monthly, as applicable) during the Program regardless of when furlough time is used.

Employees Currently Participating in Employee Reduction in Time (ERIT)

30. **Q: Is the furlough to be included on top of the current employee reductions in time (ERITs) implemented by business units? Will employees participating in ERITs implemented by their units receive the retirement protections (service credit and HAPC) if the RITs differ from the campus Program?**
A: Subject to approval by UCOP and depending on business need, units with across-the-board employee reductions in time (ERITs) can work with campus to have their employees participate in the Program (and receive the same service credit and HAPC protections for retirement), but at the same ERIT rate (which might be higher than the Program rate).
31. **Q: Can I adjust my voluntary Employee Reduction in Time (ERIT) before the salary reductions and reductions in time take effect?**
A: Yes. Voluntary ERIT reductions need to be in 5% increments and must be made by 10th of the month to take effect the following month.
32. **Q: Will individual employees who voluntarily take ERIT be allowed to "join" the Furlough Plan to receive the protections of service credit and HAPC for retirement purposes?**
A: This needs to be determined in consultation with UCOP.

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IMPACT ON BENEFITS

33. Q: Will monthly health insurance premiums be adjusted if the furlough/salary reduction drops employees into lower medical plan salary bands?

A: No.

34. Q: Will any employees (represented or not) who are currently enrolled in UC's health plans lose their benefits because of the reduction in time, e.g. their time is reduced to less than 50%?

A: No. The impact of an employee's inclusion in the Program will not affect their eligibility for UC benefits.

35. Q: Will employees be allowed to change medical plans mid-year following implementation of the Program?

A: There will not be a special opportunity to change medical plans as a result of the Program.

36. Q: Can employees change their income tax withholdings to offset the reduction?

A: Yes. Employees may change their tax withholdings at any time.

37. Q: How will DC Plan benefits be impacted by the Program (including UCRP members and Safe Harbor)?

A: A Defined Contribution (DC) Plan participant may see a reduction in DC Plan employer contributions, as well as their own contributions, should they experience a salary reduction (i.e., reduction in Covered Compensation).be impacted. DC Plan benefits This will include Savings Choice participants and 2016 Retirement Tier members who are subject to the PEPRA limit, provided they're eligible for the DC Plan Supplemental Plan benefit contributions. Members of the UCRP 2016 Tier that are subject to PEPRA and eligible for DC Supplemental benefit contributions are those members initially hired by UC since July 1, 2016. Additionally, such 2016 Tier members appointed as staff employees are only eligible for DC Plan Supplemental benefit contributions on Covered Compensation above the PEPRA limit (\$126, 291 for fiscal year 2020-21).TBD.

38. Q: How will voluntary contributions to the 403(b), 457(b) and DC Plan After Tax plans be impacted by the Program?

A: If the voluntary contributions are being taken as a percentage of pay, they will be reduced. Contributions that are being made at a flat rate (for example, \$100 per month) will not change. Employees can change their contribution elections at any time, subject to payroll and processing deadlines.

MISCELLANEOUS

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39. **Q: Will there be notices sent to employees informing them of the Program?**
A: Yes.
40. **Q: Will stipends be included in the base salary calculation to determine the salary and time reduction tier?**
A: Yes.
41. **Q: Are the savings from this program being swept by central campus?**
A: At this time, the savings are to be used by Divisions/Business Units to address budget reduction needs.
42. **Q: How are sabbaticals handled under the Program?**
A: Ordinarily, sabbaticals are paid at the faculty member's salary rate at the time they take their sabbatical leave; the salary rate(s) at the time sabbatical credits were accrued are irrelevant. Under the Furlough Plan, those on sabbatical will be subject to the furlough based on their income paid by the University. So, if a faculty member is on an X% sabbatical, the furlough will be based on an income of X% of the faculty member's salary rate. As an example, if Doe's salary rate is \$100,000 and Doe is on a 78% sabbatical in fall 2021 (i.e., Doe has/is using seven credits), then Tier will correspond to an income of \$77,778. If Doe's sabbatical is being augmented by funds under UC control—for example, a grant administered by UC—then Doe's Tier will correspond to \$77,778 + the augmentation. If the augmentation is being paid Doe directly by an outside entity (say an institute that Doe is visiting), then the Tier will be determined based on just the \$77,778.
43. **Q: Do you still accrue vacation/sick during furlough days?**
A: Yes. These accruals will not be impacted for employees participating in the Program. For employees outside of the Program (e.g., represented employees whose unions have chosen not to participate in the Program but who are subject to a reduction in time) protection for these accruals may not be available.
44. **Q: How does the University determine what Tier I am in? Will part-time employees be included in the Program?**
A: Tier placement, as well as the corresponding salary and time reductions, will be based on an employee's gross salary (Full Time Rate x Appointment Percentage) plus stipend, if any. For example, an employee whose full time rate is \$100,000, with a 75% appointment, has an actual salary of \$75,000 and would be placed in Tier 2. This includes part-time employees.
- Q: Will per diem and variable percentage employees be included in the Program?**
A: Yes. We will determine their Tier placement by doing a three month "look back" to calculate average gross salary. For example, on February 1 we will "look back" to November, December and January to determine average gross salary for Tier placement purposes.

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45. **Q: If an employee's salary is funded from multiple sources, e.g. 50% on "campus funds" and 50% on "external funds", how is the employee's Tier determined? And what if the employee is part-time?**

A: For employees who are funded both by campus funds and external funds, the Tier determination is made based on the employee's gross salary (Full Time Rate x Appointment Percentage) *without* regard to the source of the funds (income derived from work as a represented employee in a bargaining unit that is not part of the Furlough Plan is not part of any calculation). The corresponding salary reduction is applied to the gross salary amount.

46. **Q: How is the salary reduction calculated, e.g., if I am in Tier 6 is my monthly check reduced by 3.83%?**

A: The salary reduction is applied to the gross salary (Full Time Rate x Appointment Percentage), plus any stipend, and subject to update if a person's salary changes. The initial calculations will be made based on your salary as of February 1, 2020 and subsequent adjustments will be made every 3 months, e.g. as of May 1, August 1 and November 1. No adjustments for changes in compensation will be made in between these review dates.

47. **Q: If a mid-program salary increase (e.g., 7/1/21 increases for represented employees, per their respective labor contract) moves an employee from one tier to the next, will their reduction/days be recalibrated (or will the initial tier designation stay fixed for the duration of the program)?**

A: At this time, subject to confirmation with UCOP and UCPath, adjustments to salary can result in an employee moving to a different Tier and their reductions in time/furlough time will be recalculated on a pro-rata basis.

48. **Q: For faculty, are the Tiers based on 9-month salaries or 12-month salaries?**

A: Answer: For faculty appointed on an academic-year ("nine-month") basis, the furlough would be based on their academic-year salary. Any additional summer salary they earn ("ninth") would not be subject to the furlough. Faculty that are appointed on a fiscal-year ("12-month") basis would have their furlough based on their fiscal-year salary. Any additional compensation for research, teaching, or service earned by fiscal-year faculty during vacation (see APM 600-14-c.) would not be subject to the furlough.

49. **Q: Should offer letters be revised to include a reference to the Program and its impacts?**

A: Yes. Please consult with the Talent Acquisition Advisor assigned to your recruitment or the Academic Personnel Office as appropriate.

50. **Q: Will the Program affect new employees?**

A: Yes, unless they are exempt from the Program due to the type of employment. Please see above for the types of appointments that may be exempted from the Program. **A new employee should be set up at a permanent rate, which would be reduced by the applicable rate corresponding to the appropriate Tier.**

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51. **Q: Can departments opt-out of the Program?**
A: No. The entire campus will participate in the program, subject to very narrow exceptions.
52. **Q: Can we use our vacation days for the furlough time to maintain our paycheck amount?**
A: No. This would be the equivalent of “cashing out” vacation and UC does not currently allow employees to cash out of their vacation.
53. **Q: What about the special Pandemic Relief fund that Pres. Drake’s Executive Order required each campus to create?**
A: The campus has already achieved the goal of \$10 million in savings through voluntary human resource programs, such as the suspension of the merit increases for non-represented staff and range adjustments for faculty. This campus has already allocated more than \$10M to avoid and delay layoffs.
54. **Q: If faculty can use extramural funding to make up for furlough days, can units use revenue for staff?**
A: TBD.
55. **Q: Is there a process for individuals to request an exemption from the Program due to personal circumstances such as financial hardship?**
A: No. Although there is no process for requesting an individual exemption from the Program, depending on a person’s circumstances, the campus Basic Needs Center could be a useful resource.
56. **Q: Are rehired retiree staff and/or recalled academic appointees included in the program?**
A: Yes.
57. **Q: What happens if a staff or faculty member has taken their full 12-month allotment of furlough days and separates before January 31, 2022?**
A: In this situation there will be no attempt by the university to “recover” the used furlough time.
58. **Q: Will the Program apply to an employee on a leave with pay?**
A: Yes.
59. **Q: How will overtime pay be calculated under the plan?**
A: Overtime pay that is derived as a percentage of base pay will be derived as a percentage of the reduced rate of pay.
60. **Q: How will the Program impact the payout of vacation pay for an employee who leaves work while the Program is in place?**

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A: Terminal vacation pay will be calculated based on the separating employee's pre-reduced rate of pay.

61. **Q: How are employees who have both Lecturer appointments (excluded from the Program) and a non-Senate faculty appointment (included) treated for this Program? What if those percentages change each semester with teaching load?**

A: The campus would assign this employee to a Tier using the non-Lecturer gross salary (Full Time Rate x Appointment Percentage). The campus intends to update/reassign Tiers every three months and this would capture changes between semesters.

62. **Q: Is severance pay to be calculated on an employee's pre-reduction salary or on the reduced salary?**

A: If an employee is laid off or terminated during the Program, severance will be calculated on the employee's pre-reduction salary.

***QUESTIONS ABOUT THE PROGRAM SHOULD BE DIRECTED TO:
FURLOUGHFAQ@BERKELEY.EDU***