The University of California

Announces START

The Staff and Academic Reduction in Time (START) Program

START something for yourself with more free time off…
while helping UC to START achieving budgetary savings.

For important program details, please be sure to read the Questions and Answers that follow this overview, which presents program highlights only. The Questions and Answers explain fully program features and rules that you need to know.

July 1, 2008 – June 30, 2010
Revised March 1, 2009 (to allow a minimum 5 percent reduction in time)
Why is START being offered?
• To help the University achieve temporary salary savings during the current budget crisis.
• To give eligible academic personnel and staff the opportunity to voluntarily reduce their working time and corresponding pay in exchange for a number of advantages.
• To provide START participants with the increased time and flexibility of a reduced work schedule, allowing them to pursue educational opportunities, enjoy avocational and personal interests, and attend to family needs.

Who is eligible to participate in START?
• All academic appointees, except those in faculty and student academic titles and Postdoctoral Scholars, and full- or part-time non-probationary career (“regular status”) staff.
• In all cases, participation will be dependent upon the approval of the department head. Some departments may elect not to offer START.

How does START work?
• Subject to your department head's approval, START arrangements may be available from July 1, 2008 through June 30, 2010.
• To START, you volunteer to reduce your working time by a minimum of 5 percent to a maximum of 50 percent of full-time. Your work schedule cannot be reduced below 50 percent of full-time in any month of START participation.
• You can volunteer to reduce your time in monthly increments from a minimum of 1 month to a maximum of 24 months. No START contract can extend beyond June 30, 2010.
• You may change the percentage of time reduction of your START contract during the contract period and with 30 days advance notice.
• You or your department head can end your START arrangement earlier than the end date in your contract provided that 30 days advance notice is given. Advance notice will be waived if termination of your contract is due to an emergency situation.

What are the advantages of START participation?
• You will accrue, on a month-by-month basis during your START contract, vacation and sick leave credits at the same rate as you did before you began your START.
• If you are a UC Retirement Plan (UCRP) member, you will accrue, on a month-by-month basis during your START, UCRP service credit for each START month at the same rate as you did before your START—provided you are on pay status for at least 50 percent of full-time during each month of participation.

UCRP service credit during START will be reduced, under UCRP rules, for periods of leave without pay or other periods of time off pay status not reflected in the START contract.

The service credit feature is specific to UCRP members and does not apply to UC members of other retirement systems.
• There will be no reduction in UCRP benefits such as retirement, disability, or survivor benefits as a result of your START time reduction, provided that you are on pay status for at least 50 percent of full-time during each month of participation. (This feature does not apply to UC members of other retirement systems.)
• Your UC health and welfare benefits (medical, dental, vision) will not be affected during your START contract. Remember, you cannot reduce time worked below 50 percent under the program.

• You may find that the actual impact of reducing time on take-home pay is cushioned by the corresponding reduction in tax withholding.

• At the end of your START contract, you will return to the percentage of time you held before START.

Other key points

• If you are an exempt (salaried) employee, you should be aware that although you are normally expected to work your appointment percentage, greater emphasis is placed on meeting the responsibilities of your position than on working a specified number of hours. For this reason, you and your supervisor will need to agree on appropriate workload adjustments if you participate in START.

• It is not appropriate for employees with existing reductions in appointments to increase their appointment and then reduce their time under the START program.

• Your participation in START will not change the applicability of layoff or termination policies consistent with your regular appointment.

How do you START?

• You and your department head sign a written START contract, specifying the percentage reduction of time, the beginning and end dates of the contract, and your work schedule.
Questions & Answers about START

Basic information about participating in START

1. Why should I volunteer for START?
If you can use more time off or are preparing for retirement you may be interested in START. If you have family care responsibilities or would like to take a course or pursue a hobby, do volunteer work in the community, or just have more time for recreation and relaxation, you will want to give START serious consideration. You will also have the satisfaction of knowing that your willingness to reduce your wages temporarily helps the University to weather the current budget crisis.

2. Are exclusively represented employees eligible to participate in START?
Participation in START for exclusively represented employees is dependent upon agreement by the applicable union. Check with your local Human Resources Office regarding your eligibility to participate.

3. Does the reduced percentage of time need to be the same during each month of my START contract or can it vary as long as the average percentage reduction over the entire period of my participation in START is the same as the percentage reduction reflected in my START contract?
You should have the same reduction in time and pay in each pay period of your START contract. However, with your department head’s approval, your work schedule within a pay period may be flexible from week to week as long as the total time reduced during the pay period is the same as the percentage time reflected in your START contract.

4. If I am already on a reduction in time (mandatory or voluntary) before I have the chance to sign up for START, can I still do so?
You can sign up for an additional reduction in time, as long as your percentage of time on pay status is not reduced below 50 percent time. That is, if your time had already been reduced 10 percent before START was implemented, you could reduce an additional percentage (at least 5 percent of full-time) as part of START. Vacation, sick leave, and UCRP service credit would accrue at the reduced appointment percentage established prior to the additional reduction taken under START.

Example: Pre-START: 100 percent appointment reduced to 90 percent
START: 90 percent appointment reduced to 85 percent
Vacation and sick leave in this example would accrue at the 90 percent appointment percentage.

5. Can I reduce my time below 50 percent time?
No, you cannot reduce your time below 50 percent and participate in START.

6. Can START reductions be in increments besides 10 percent or 5 percent? Can increments be in anything besides whole percentages?
The minimum reduction must be 5 percent, but beyond that minimum, reductions can be in any percentage increments up to 50 percent of full-time as long as your time is not reduced below 50 percent. For example, if a full-time employee wanted to work 5 days a week for 5 hours a day (total of 25 hours per week), the reduction in time would be 37.5 percent.

7. I would like to enroll in a class next September. Can I sign-up for START beginning in September or must my START contract begin on July 1?
Department heads are authorized to offer START to their employees any time between July 1, 2008 and June 30, 2010. Some departments may elect to offer the program for the entire 24-month period; others may elect to offer the program only during certain months such as the summer months; and some may elect not to offer START at all. You should check with your department head regarding the availability of the program in your department during the period of time you are interested in reducing your time.

8. Must a START contract begin only on the first day of a month and end only on the last day of the month?
For employees who are paid monthly, a START contract must begin on the first day of a month and end on the last day of a month. For employees who are paid bi-weekly, time reductions are to be made in two
bi-weekly increments, so a START contract would begin on the first day of the bi-weekly pay period and end on the last day of the second bi-weekly pay period.

9. Can I continue my participation in START if I transfer or if I am promoted to another position in the same or different department?

Subject to approval of the relevant department head, you may continue your participation in START for the term of your START contract when you accept another position in the same or a different department.

10. If a supervisor has a number of employees requesting START and requesting the same work schedule, how can the supervisor decide?

In such a situation, any reasonable and non-arbitrary method of decision-making can be used. This could include, for example, random selection of employees, seniority, etc.

11. If I sign up for START, will my workload be adjusted to reflect my reduction in time?

START participants should review their assigned workloads with their supervisors to work out a corresponding reduction in workload or assignments.

12. Can an employee who has a variable appointment participate in START?

Employees with variable appointments are not specifically excluded from participating in the START Program; however, because of the fluctuating nature of variable appointments, it would be difficult to determine the pre-START appointment percentage on which time reductions and benefits under the program should be based.

13. Can employees who work a 4/10 or 9/80 schedule participate in the START Program?

Yes, employees who work these alternative schedules can participate in START. For example, an employee on a 4/10 schedule who wants to reduce to 90 percent time could work a 4/9 schedule by reducing each work day by 10 percent (an hour each day); while an employee on a 9/80 schedule can work a 9/72 schedule by working 8 hours a day (a 10 percent reduction).

14. How can exempt (salaried) employees participate in START, since such employees work whatever time it takes to get the job done?

An exempt employee may reduce his or her time and corresponding pay from 5 percent to 50 percent of full-time under START. However, time records for purposes of pay cannot be kept for exempt employees who receive the same salary each pay period regardless of hours worked. Exempt employees who participate in START may find a schedule involving full days off useful, although this would not preclude occasionally working some time on those days if necessary to meet a deadline. An appropriate workload reduction and a focus on working to meet job responsibilities rather than working a specified period of time are the intended approaches to START for exempt employees.

Impacts of START on benefits and other aspects of employment

1. Will my START reduction in time affect the amount of vacation and sick leave that I earn?

No. This is one of the advantages of START. You will continue to accrue vacation and sick leave at your pre-START appointment percentage.

2. How does my participation in START affect my holiday pay?

Under START, you will receive holiday pay in proportion to your reduced time in accordance with the applicable personnel policy or collective bargaining agreement.

3. Will START impact my health and welfare benefits?

Your eligibility for health and welfare benefits will not be affected by START because your percentage of time on pay status under START cannot be reduced below 50 percent time.

4. Does a lower salary have any impact on my disability and life insurance benefits?

Disability benefit payments for both the Short-term Plan and the Supplemental Plan will be based on your
pre-START salary and your premiums will continue to be based on your pre-START salary.

Basic life insurance coverage will continue at the pre-START salary rate 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.

5. What is my status with START if I need to go on disability leave while participating in the program?

Your START contract will be “suspended” if you become eligible for Short-Term or Supplemental disability benefits. While you are on disability leave you will be off UC pay status so your vacation and sick leave credits and UCRP service credit would no longer accrue from the point you go off pay status.

6. I may retire in the next three years. Will my START reduction in time affect my Highest Average Plan Compensation (HAPC) used for calculating my retirement benefit or my Final Salary used for calculating Preretirement Survivor Income or Disability Income benefits?

No. The UCRP pension and benefits will be based on the unreduced salary for HAPC and Final Salary provided that you are on pay status for at least 50 percent time during each month of participation.

7. How will vacation and sick leave credits and UCRP service credit be affected if an employee who is participating in the START Program goes on military leave?

If the START participant is on paid military leave, these benefits will continue to accrue at the employee’s pre-START rate. If the participant is on unpaid military leave, vacation and sick leave credits will not accrue during the time the employee is off UC pay status. If the participant is on active military duty, he/she continues to earn UCRP service credit for the period of active military service at the pre-START rate, provided he/she returns to work in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

8. What is the impact of START on my 403(b) Plan or 457(b) Plan contributions?

Your maximum annual contribution (MAC) to the 403(b) Plan or 457(b) Plan may be affected by your participation in START because it is based on the lesser of your adjusted gross salary or a fixed amount based on age. For example, your MAC for 2009 would be based on the lesser of:

- your adjusted gross salary; or
- $16,500 if you're under age 50 as of December 31, 2009 or $22,000 if you're age 50 or older as of December 31, 2009.

9. What impact does a lower salary have on my current pre-tax contributions to the Defined Contribution Plan?

The Defined Contribution Plan requires contributions as a specific percentage of eligible salary. Therefore, contributions would be lower.

10. Does a member of CalPERS or other retirement system also receive the retirement plan advantages provided to UCRP members?

No, this provision is specific to UCRP.

11. Are there other effects of START that I should know about?

Please see the list of “Important Considerations” in the START contract.
Changes in my contract once I’m participating

1. What if I change my mind about reducing my time after START begins?

Deciding to participate in START represents a commitment. However, an unforeseen change of circumstances during your participation may occur requiring you to end your contract. If after careful consideration you wish to return to your pre-START percentage of time, you may do so provided you give as much advance notice as possible, but no less than 30 days. Advance notice of termination will be waived if your request to terminate your contract is due to an emergency situation.

2. Can the department “call back” employees to their original percentage of time?

START is intended to be a two-way commitment between the employee and the department for the benefit of both. However, when there is a business need, a department head may end a START contract with 30 days advance notice.

3. Can percentage of time be adjusted by the employee after initial approval?

Since START commitments will be used to project departmental savings and for planning purposes during fiscal years 2008–09 and 2009–10, percentages of time should not be changed. However, circumstances beyond your control may warrant an increase or decrease in the percentage reduction. START participants will be allowed to change their percentage reduction during the START contract with the approval of the department head and with as much advance notice as possible, but no less than 30 days.

Relationship between START and other budget-related actions

1. Can I be laid off while on START?

With programs like START, we hope to minimize layoffs. However, the current budget uncertainties make it impossible to guarantee protection from a permanent or temporary layoff for employees who volunteer for START.

2. If I’m laid off while on START, are my recall and preferential rehire rights limited to positions at the same or lesser percentage of time as the START position?

No, there will be no disadvantage in taking START. You will retain recall and preferential rehire rights to positions at the same or lesser percentage of time as the position held prior to START in accordance with applicable personnel policies or collective bargaining agreements.

3. What happens to my seniority for purposes of determining the order of indefinite layoff while on START?

Your seniority for the purpose of indefinite layoff will be treated the same as if you had not volunteered for START. When calculating seniority for the purpose of layoff, departments will need to be sure START participants are credited appropriately.

4. How would enrollment in START be affected if a voluntary separation program is implemented?

The two programs are separate and the START Program would not automatically be affected. However, if a department faces decreased resources or other business operation needs as a result of a voluntary separation program, the department has the authority to change a participant’s START percentage reduction or end the START contract with 30 days advance notice.

How to sign up

How do I sign up for START?

After you have worked out an appropriate work schedule which has the approval of your department head, you and your department head must sign the START contract and return it, keeping a copy for yourself, in accordance with local START procedures. The form is available at http://atyourservice.ucop.edu/employees/policies_employee_labor_relations/start.html.
By authority of the Regents, University of California Human Resources and Benefits, located in Oakland, administers all benefit plans in accordance with applicable plan documents and regulations, custodial agreements, University of California Group Insurance Regulations, group insurance contracts, and state and federal laws. No person is authorized to provide benefits information not contained in these source documents, and information not contained in these source documents cannot be relied upon as having been authorized by the Regents. Source documents are available for inspection upon request (1-800-888-8267). What is written here does not constitute a guarantee of plan coverage or benefits—particular rules and eligibility requirements must be met before benefits can be received. The University of California intends to continue the benefits described here indefinitely; however, the benefits of all employees, retirees, and plan beneficiaries are subject to change or termination at the time of contract renewal or at any other time by the University or other governing authorities. The University also reserves the right to determine new premiums, employer contributions and monthly costs at any time. Health and welfare benefits are not accrued or vested benefit entitlements. UC’s contribution toward the monthly cost of the coverage is determined by UC and may change or stop altogether, and may be affected by the state of California’s annual budget appropriation. If you belong to an exclusively represented bargaining unit, some of your benefits may differ from the ones described here. Contact your Human Resources Office for more information.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) provides for continued coverage for a certain period of time at applicable monthly COBRA rates if you, your spouse, or your dependents lose group medical, dental, or vision coverage because you terminate employment (for reasons other than gross misconduct); your work hours are reduced below the eligible status for these benefits; you die, divorce, or are legally separated; or a child ceases to be an eligible dependent. Note: The continuation period is calculated from the earliest of these qualifying events and runs concurrently with any other UC options for continued coverage. See your Benefits Representative for more information.

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