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SR81920 April 2007 EX Low-Wage Worker Special Increase

SR81920
EX Represented Employee 04/01/2007 Special Wage Increase Requirements

Objective:

To develop a process to calculate the low wage worker special increase for AFSCME-represented employees in the EX (Patient Care-Technical) Unit. This process will be modeled after that which was developed as Release 1766.

Project Type:

This is a new one-time PPS program.

Requested by:

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Analyst:

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Due Date:

This wage increase is effective with April 2007 Earnings. OP- Labor Relations Compensation has asked that campuses process the increases as soon as possible, and prior to October 1, 2007.

Note: This process is applicable to all locations except the UCSF campus and the UCSF Medical Center (where the employee rates are step-based) and for the Berkeley campus, where a locally-developed process will be used.

Background

The University has determined that:

“In recognition of the impact of California’s high cost of living on employees, especially lower-paid staff, and as part of UC’s ongoing efforts to provide competitive total compensation for all university employees, the University is offering special wage increases to approximately 36,000 lower-paid non-student staff employees. The proposed increases, which total \$7.8 million, affect employees with annual salaries of less than \$40,000 and are due to take effect April 1, 2007.”

Depending on an eligible employee’s base wage level, the employee will receive an increase of 2%, 1% or .5%. For most eligible employees whose April 1, 2007 full time equivalent annualized salary is less than \$30,000, the employee is to receive an increase equal to 2% of his/her salary. Employees whose full time equivalent annualized salary is equal to \$30,000 but less than \$35,000 will receive a 1% salary increase. Finally, employees whose full time equivalent annualized salary is equal to \$35,000 but less than \$40,000 will receive a .5% increase.

In order to distribute these monies, effective April 1, 2007, to non-represented staff employees meeting the eligibility criteria, a special Payroll/Personnel System (PPS) program was developed and distributed to locations as Release 1766.

Represented employees are subject to bargaining agreement by their respective unions. Pursuant to the wage settlement between the University and AFSCME that was reached 05/22/07, and documented in the Side Letter on Wages, section A1, eligible employees in the Patient Care Technical (EX) Unit will be given special low-wage worker salary increases according to the terms of the bargained agreement.

This service request addresses the special wage increase for staff employees in non-stepped titles in the following group:

- represented employees, consisting of covered employees designated in the ‘EX’ unit

It is noted that an existing alternate process is being used to provide increases for step-based titles.

The process will be required to calculate the increase for non-step based EX covered employees, to create EDB update transactions, to create costing transactions and to generate a file to be used in the retroactive pay process. All adjustments are to be calculated and applied as base-building increases to existing appointment / distribution pay rates.

A similar process for calculation of a special rate adjustment was developed as part of PPS Release 1766; this process should be modeled on that.

PROCESS REQUIREMENTS

1.0 Eligibility

In order to be eligible for the salary increase, employees will be selected on the basis of all the following criteria:

Employee Level

- If there is a Separation Date (EDB0140), it must be on or after '04/01/07' AND Appointment Level (all conditions must be true):
- Appointment Personnel Program (EDB2007) is '1'
- Appointment Type (EDB2020) is not '4'
- Appointment End Date (EDB2003) must not be prior to '04/01/07'
- Title Code must be in the range of 4000-9999 (must be staff title) and the TCT Rate Lookup Code (TCT3380) must be 'M' or 'G' or 'X'
- Appointment Title Unit Code (EDB 2029) is 'EX' and Appointment Representation Code (EDB2031) is 'C'
- Appointment Rate Code (EDB 2015) is not equal to 'B' (By-Agreement)
- Appointment Without Salary Indicator (EDB 2028) is not equal to 'Y'

2.0 Distribution Selection

For active or future appointments that meet the eligibility criteria described above, distributions must be selected against which the salary increase will be applied, according to the following criteria:

- The Pay End Date (EDB 2054) must not be prior to '04/01/07'
- the DOS Table Range Adjustment Indicator (DOS 7700) is 'Y' (Description of Service Code (EDB 2056) is 'range adjustable') and
 - the Pay Category (DOS 1600) is 'N' (normal) and the Type of Hours Code (DOS 2000) is 'R', 'O' or 'P' or
 - Pay Category is 'A' and the Type of Hours Code is 'O'

3.0 Calculations

The current pay rate must be annualized to establish the threshold amount for determination of what increase an employee is due. Determination of salary level should be based on Distribution pay rate:

- If Rate Code (EDB 2015) = 'H' (hourly): multiply the Distribution Rate (EDB 2055) by 2088 hours, or
- If Rate Code = 'A' (annual), and Appointment Pay Schedule (EDB2016) is 'MO' or 'MA': then multiply the Distribution Rate by 12 or
- If Rate Code = 'A' and Appointment Pay Schedule is 'BW': then multiply the Distribution Rate by 26 or
- If Rate Code = 'A' and Appointment Pay Schedule is 'SM': then multiply the Distribution Rate by 24.

Each eligible appointment should be evaluated independently for eligibility. The results of these calculations should be rounded to the nearest cent.

The system must calculate the increase for non-step based titles, as follows:

For distributions that are less than the salary threshold of \$30,000, the system should calculate a salary increase of 2%. For distributions where the annualized salary level is equal to or greater than \$30,000 or more but less than \$35,000, the calculated increase should be 1%. For remaining distributions that are equal to or greater than \$35,000 but less than \$40,000, the system should calculate a salary increase of .5%. The calculated rates should be rounded to the nearest cent, and increases will be processed even if the new rate exceeds the maximum of the range for the selected title codes.

Examples:

1. Distribution Pay Rate is monthly amount = \$2499.91 X 1.02% = \$2549.91 (rounded up to nearest cent from \$2549.9082)
2. Distribution Pay Rate is hourly amount = \$14.3500 X 1.02% = \$14.6400 (rounded up to nearest cent from \$14.6370)

4.0 EDB Updates

An EDB transaction must be generated to update the employee's distribution pay rate using the new rate calculated above. If the employee is eligible for the increase, the existing distribution should be ended and a new EDB transaction record should be generated reflecting the new rate. EDB distributions that cross the effective date boundary of 03/25/07 (BW) and 04/01/07 (MO) should be ended one day prior and the new distributions created with a begin date of 03/25/07 (BW) and 04/01/07 (MO) and an end date equal to the original end date of the terminated distributions.

For distributions beginning 04/01/07 or later, the transaction should simply update the pay rate to the newly calculated rate.

Personnel Action Code '43' – (Change in Rate – Other) should be used on the EDB update transaction.

5.0 Costing

The program should create standard costing transactions for input into program PPP960, the Costing Consolidation Process. These transactions may be modeled after the costing transactions created by PPP910, Range Adjustment processing.

6.0 Retroactive Pay Processing

The program must generate a file to be used as input to the existing retroactive pay process, which is similar to the retro merit process.

7.0 Reporting

This program should generate a tab-delimited electronic file. This file will contain data on the employees whose records have been updated, showing the old and new distribution pay rates and the calculated amount of the increase. Campuses will be required to provide this file to UCOP via FTP for analysis and reporting of these salary increases. This file should include:

Campus Identifier (2-digit location code) – with each individual employee record
Employee ID#
Employee Name (EDB 0105)
Employee Title Code (EDB 2006)
Appointment Title Unit Code (EDB 2029)
Appointment Representation Code (EDB 2031)
Distribution DOS (EDB2056)
Distribution % Time (EDB2052)
Appointment Rate Code (EDB2015)
Distribution Pay Rate – Prior (EDB2055)
Distribution Pay Rate – New
% Increase
FAU

The file data should be sorted by Employee Name within Campus Identifier.