



OFFICE OF THE SENIOR VICE PRESIDENT –  
BUSINESS AND FINANCE

OFFICE OF THE PRESIDENT  
1111 Franklin Street  
Oakland, California 94607-5200

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BEATRICE CARDONA  
WEN TANG

BARBARA VANDEN BORRE

Re:	Release:	1876
	Service Requests:	82601
	Error Reports:	None
	Programs:	PPEI720, PPFAU124 (new), PPO1876A (one-time), PPO1876B (one-time), PPO1876C (one-time)
	Copy Members:	CPLNF018, CPLNF124 (new)
	Include Members:	None
	DDL Members:	None
	Bind Members:	PPO1876A (one-time), PPO1876B (one-time), PPO1876C (one-time)
	CICS Maps:	None
	CICS Help:	None
	Forms:	None
	Table Updates:	Fund Group Table (FND)
	Urgency:	Date Mandated (see Timing of Installation below)

This release addresses the following Service Request:

### **Service Request 82601**

Service Request 82601 asks that a modification be made to the Payroll/Personnel System (PPS) to accommodate a temporary salary reduction program.

The University of California has authorized a salary reduction program as a cost savings measure in response to cuts in state funding. Effective with September 2009 earnings, a tiered salary reduction program will go into effect in order to capture salary savings from this plan. The reduction will apply to all employees, with exceptions.

A tiered approach will be used to administer this program. This approach will segregate employees by annual salaries and, depending on the annual salaries, provide furlough days and reduce the employees' salaries by specific percentages. These annual salaries will be determined by the Medical Contribution Base – Next Year (MCB). A special process will be provided that will calculate the MCB for employees who currently have an MCB value of 0.

Furlough time off will be based on the MCB value. Employees will accrue, on a periodic basis, a percentage of the maximum number of furlough days allowed based on the number of hours worked. These furlough days will be included in the current Paid Time Off (PTO) balance that is stored in the PPS.

The PPS modifications needed to meet the requirements identified by this SR will be released in three phases. The first phase will address the salary reduction requirements including calculation of the MCB and the clearing out of the PTO-related data elements. The second phase will address the requirements for the furlough time accrual and time taken and changes for the ERS. The third phase will address the modifications needed to the calculation and use of the MCB as it relates to the Benefit Premium Audit process during year end processing.

This release addresses Phase I only. The PPS modifications required are listed below:

- A one-time process to calculate the MCB (Medical Contribution Base) – Next Year for employees who currently do not have an MCB value, due to BELI or some other factor.

- A one-time process to clear out the current Paid Time Off (PTO) related data elements so that they can be used for the accumulation of furlough / salary reduction hours
- A special process to create file maintenance transactions to add new distributions (and new appointments, if necessary) with the SRB or SRS DOS codes when all selection criteria are met. These new distributions will reduce pay during the compute process based upon the attributes of these DOS codes.
- Modifications to EDB maintenance to calculate the MCB regardless of the employee's Assigned BELI"

## **Programs**

### **PPEI720**

PPEI720 performs consistency edits and maintenance on insurance salary bases and the Medical Contribution Salary Bases (MCBs). This executes during online and batch explicit file maintenance of a distribution. If either the current or next year MCB is zero; it is updated with the value calculated based on current distributions or future distributions if present.

This program was modified to calculate the MCB for an employee with a BELI of "5" or "P" in addition to the BELI values 1 – 4. This insures that most employees have a MCB to be used in the selection of a salary band that determines the percentage of salary reduction to be taken.

### **PPFAU124 (new)**

PPFAU124 is a new FAU program used to identify Extramural funds (EXTRMFUR). The base version of this program receives an FAU and accesses the Fund Group CTL Table to determine whether the FAU belongs to an EXTRMFUR fund group. This program is called by the salary reduction program PPO1876B. If the FAU on a distribution has this fund type; the distribution is not subject to a salary reduction.

### **PPO1876A (one-time)**

PPO1876A is a one-time program which calculates the MCB (Medical Contribution Base) – Next Year for employees who currently do not have an MCB value, due to BELI or some other factor. The calculation is performed in the same way as is currently done for BELI 1-4. Separated employees are excluded from this process, as is currently done in the existing MCB calculations. Unlike the existing MCB calculation, only active distributions are considered for this one-time process. Future distributions are excluded.

This one-time process outputs a file including all employees in the selected population, whether or not a non-zero MCB is calculated for them. An EDB Change File (ECF) is also produced. Locations can run the MCB calculation one-time program in either update or report mode and may run it multiple times.

### **PPO1876B (one-time)**

PPO1876B is a special process to be used to create file maintenance transactions to add new distributions (and new appointments, if necessary) with the SRB or SRS DOS codes when all selection criteria are met. These update transactions are applied to the EDB through the file maintenance process. The new distributions with the SRB and SRS DOS codes have a percent time or rate (for stipends) calculated using the reduction percent found in the salary band in which the employee's MCB falls. During the compute process the attributes of these DOS codes result in pay being reduced by the percent or rate found on the distribution.

A tab delimited file is generated with a record for each new distribution transaction. A second tab delimited file is generated with a record for each new distribution for which no transaction was generated due to an overflow condition. A Costing file is generated.

#### PPO1876C (one-time)

PPO1876C is a one-time program which clears out the current Paid Time Off (PTO) related data elements. This process sets all the Paid Time off (PTO) related data elements to zero or space so that they can be used for the accumulation of furlough / salary reduction hours. Prior to clearing out this data, the existing data is saved in a holding file. In addition, an EDB Change File (ECF) is created.

#### Copy Members

##### CPLNF018

This copylib member defines a linkage area for PPFAU018.

An 88 level for EXTRMFUR was added to the list of possible fund groups. It will be used by the campus to identify the Extramural fund types that are to be excluded from the salary reduction process.

##### CPLNF124 (new)

This copylib member defines the linkage area for the new FAU program PPFAU124.

#### Bind Members

##### PPO1876A, PPO1876B, PPO1876C

PPO1876A, PPPO1876B and PPO1876C are the plan binds for the new one-time programs described above.

#### Table Updates

##### Fund Group Table

Fund group EXTRMFUR was added to this table to identify Extramural fund types that are to be excluded from the salary reduction process. These fund types will be established at the campus level as required. Sample card input is provided with this release.

#### Installation Instructions

A separate Installation Instructions document is provided for this release.

#### Test Plan

A separate Test Plan document is provided for this release.

#### Timing of Installation

The timing of this release is **date mandated**. This release must be installed and the one-time processes to calculate the MCB and perform the salary reduction must be executed prior to generating time sheets in September for the second Biweekly compute with pay end date of September 19, 2009 and the Monthly compute with pay end date of September 30, 2009. The one-time to clear the PTO data is optional but if performed it must be run before the first run of the furlough time accrual program to be released in Phase II. The one-times can be run anytime after installation with the requirement that the MCB must be complete before the salary reduction is run.

As usual, campuses are encouraged to install this release in as timely a fashion as possible and in the normal numeric sequence.

If there are any questions, please send electronic mail to email address email address Janet.Kennedy@ucop.edu (510-587-6128).

Janet Kennedy