



June 24, 2016

**DEANS  
DEPARTMENT CHAIRS**

**RE: Procedures for New Faculty (Ladder Rank and Lecturer SOE Series) Hires – Updated  
June 24, 2016**

UCOP has released new guidance today regarding the June 30, 2016 hire date. There are two options for new faculty hired on June 30, 2016 and specific procedures for processing the one day leave no pay.

These are the two options for new faculty hired on June 30, 2016:

**1. One Day Leave No Pay on June 30, 2016\*:**

- Benefits will be effective 7/1/16.
- July will be counted as the free month.
- No July 1 paycheck.
- August 1 paycheck will have normal deductions (e.g. 1 month of benefits, retirement, etc.)
- Units will not be asked to pay for benefits for July.
- This option would be like any other appointment that typically begins on July 1.

**2. Pay Starting June 30, 2016\*:**

- Benefits will be effective 6/30/16.
- June is counted as the free month.
- There will be a July 1 paycheck for the one day pay on June 30.
- The following deductions will be included on the July 1 paycheck:
  - Health and welfare benefits for July
  - Associated retirement deductions
  - All other normal deductions (e.g. taxes)

**NOTE:** The deductions might be higher than the one day pay and the employee will be responsible for reimbursing the University

- Units will also have to pay for July benefits.

\*: Faculty who are in H-1B status will **NOT** have the option for leave no pay on June 30, they must be paid beginning June 30, 2016.

**Guidance from UCOP on Procedures for One Day Leave No Pay:**

For new hires who will have a one day leave no pay on June 30, 2016, UCOP has just informed us that they will provide special programming to the Payroll system so that the “first month free” is for the month of July (instead of June).

The purpose of this memo is to clarify the PPS procedures for hiring faculty on June 30, 2016, under the limited circumstances described in the attached memo. We also attempted to identify any implications and manual work-arounds required to minimize impact on the faculty member – note that this process is not something our systems can handle easily, so manual intervention is required and impacted faculty should be

advised to carefully monitor their coverage for the first several months to ensure results are as expected. Additionally, the process does impact the “first month free” policy on health & welfare (H&W) coverage.

**Please follow the procedures below for One Day Leave No Pay on June 30, 2016:**

- Faculty member hired into a UCRP-eligible appointment on 6/30/2016 and immediately placed on leave without pay.
- Set the Hire Date and Appointment Begin Date to 6/30/2016.
  - Appointment Begin Date should be set to 6/30/16.
  - Add a distribution line to show 6/30/2016 to 6/30/2016 with “LNP” DOS code.
  - Add a second distribution line to start paid appointment on 7/1/2016 with “REG” DOS code.
- Set the Assigned BELI Effective Date to 07/01/2016.
- Update the PIE End Date to 07/31/2016 (must be done immediately after HIRE action is processed).  
Note: the system will set the date automatically to 07/30/2016 based on the Hire Date.
- Return faculty member to pay status on 7/1/2016.

**Impacts:**

1. Faculty pay will be accurate – earnings will begin 7/1/2016 and first check will be 8/1/2016.
2. ‘EE and ‘ER contributions to health & welfare:
  - a. H&W coverage begins 7/1/2016;
  - b. PPS will not deduct the ‘EE contributions for July coverage. July coverage is “free” month for employee.
  - c. The self-billing report, enrollment files, and consolidated billing reports will indicate July coverage is “free”.
  - d. At Your Service Online (AYSO) can be used to enroll in benefits after 7/1/2016
3. 2013 UCRP Tier membership:
  - a. Faculty member will be a member of 2013 Tier. To ensure all processing happens accurately, UCOP/RASC will run a report and work to make sure anyone with a 6/30/2016 date of hire is in the 2013 tier.

**Policy Reminders:**

- Current UC employees who are in safe harbor positions (e.g. post docs, residents) and who will be transitioning to a faculty appointment effective 7/1/2016 or later have their “foot in the door” already and are not subject to the PEPRA maximum. They will, however, be offered a choice. There is no need to hire them before 7/1/2016 in order to keep them in the 2013 Tier.
- The option of hiring faculty on 6/30/2016 and placing them on immediate unpaid leave of absence is available as described in the attached memo.

If you have any questions, please direct them to your Academic Personnel Analyst.



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cc: Assistant Deans  
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