

FURLOUGH EXCHANGE PROGRAM (FEP) UCSD IMPLEMENTATION GUIDELINES

This program allows academic employees who are subject to the Salary Reduction/Furlough Plan to devote extra effort to research projects *instead* of using the furlough time they would be accruing under the plan. In exchange for forfeiting the furlough time, appointees may charge an equivalent amount of effort to extramural funding¹, provided this is permissible with the granting agency. In addition, restricted gifts and endowments that can be used for research support may be used to support this increased effort.²

Eligibility and Program Regulations

Full-time faculty members who are subject to the Salary Reduction/Furlough Plan and, whose effort is appropriate to be directly charged to an extramural project for the duration of the program, may participate. Currently this proposal does not apply to members of a Health Sciences Compensation Plan, staff employees, or to members of the Senior Management Group.

In exchange for the furlough time that would be accrued under the Salary Reduction/Furlough Plan (reference academic accrual charts in Appendix 2), FEP participants may charge an equivalent amount of effort to extramural awards providing this is permissible with the funding agency and campus contract and grant policies, or the terms of the gift agreement, if appropriate. The resulting salary savings must be returned to meet campus salary savings targets.

All charges must be compliant with Office of Management and Budget (OMB) Circular A-21. Appointees are responsible for obtaining agency permission prior to submission of the UCSD Furlough Exchange Program (FEP) Agreement form.

Full-year participation is required. The additional research should be conducted and paid according to the chart below:

Appointment Basis	FEP Dates
Academic Year	Service Period: September 21, 2009 – June 11, 2010 Pay Period: July 1, 2009 – June 30, 2010 <i>Note: There will be no salary reduction for AY FEP participants in July & August 2010</i>
Fiscal Year	Service & Pay Period: September 1, 2009 - August 31, 2010

Participation must be approved prior to the service period of the research activity and may not result in earning salary higher than the pre-reduced salary rate. This program may not be used to supplement administrative stipends. Retroactive participation is not permitted.

Faculty who elect this option will forfeit their furlough days and therefore will be expected to be in service during campus closures, with the exception of fiscal year employees on approved vacations. During the period of participation, furlough days forfeited may not be used for any other purpose, including additional consulting days as allowed under APM 025.

Faculty may not reduce their teaching loads in order to participate in this exchange program.

The compensation earned under this program is considered regular pay and is subject to standard payroll deductions, benefits charges, and retirement contributions.

¹ For the purpose of this program, extramural funding refers to fund sources that have been defined as “excluded” under the UC Furlough Plan.

² Restricted gifts and endowments may only be used for the limited purposes permissible under the FEP guidelines. Such funds are not currently on the list of excluded fund sources under the Salary Reduction/Furlough Plan.

How to Request Participation in the FEP

Complete the Furlough Exchange Program (FEP) Agreement form. The form must be signed by all applicable parties and approved by the Senior Vice Chancellor prior to the research service period (no later than September 20, 2009). Approved FEP agreements must be entered into the Payroll/Personnel System between September 15, 2009 (tentative post-PPS freeze date) and September 24, 2009 (September monthly PPS deadline). Retroactive requests will not be accepted.

In coordination with the faculty member, the department fund manager is responsible for ensuring all pre-approval obligations are met and for verifying that the faculty member has sufficient funding to support his/her request.

Payroll/Personnel System (PPS) and Cost Transfer Instructions

Upon approval, the Academic Compensation Office will email an approved copy of the UCSD Furlough Exchange Program (FEP) Agreement to the department chair, MSO, and Dean's Office. This will serve as the necessary pre-approval for the payroll entry. The department payroll processor will update the employee's record in PPS according to the instructions below.

Departments will need to process the appropriate cost transfer of funds within the requisite 120-day limit. Cost transfers or payments made in July and August for academic year effort will need to be made by October 15, 2009.

The employee's payroll record must be manually adjusted to remove salary reduction distributions and reflect participation in the FEP.

1. The employee's record will be included in the Salary Reduction/Furlough Plan.
2. Following the PPS freeze (tentatively planned to end at 8:00 A.M. on 09/15/09) and prior to the monthly PPS deadline of 09/24/09, the employee's record must be manually adjusted as follows (see Appendix 1 for sample PPS screen shots for an academic year faculty member):
 - Remove the SRB distribution(s) from the Payroll/Personnel System (PPS).
 - End existing REG pay distribution on 06/30/09.
 - Add a new REG pay distribution to reflect the reduced percent of pay on the regular pay source effective 07/01/09 – 06/30/10.
 - Add an RGS distribution for the period of 07/01/09 - 06/30/10 to hold the FTE.
 - Add a new REG distribution to reflect the return to regular pay status effective 07/01/10.
 - Add a new appointment under the appropriate research title for the dedicated research effort effective 07/01/09 – 06/30/10.
 - Add a regular pay (REG) distribution to the research appointment to reflect the appropriate percent effort on the extramural project for the period 07/01/09 – 06/30/10.
3. Enter appropriate PAN comments. Example:
 - Delete salary reduction.*
 - Does not affect pay.*
 - Furlough Exchange Program approved [insert approval date.]*
 - Retroactive to July pay period.*

Appendix 1

PPS Example

Professor-AY subject to an 8% reduction (salary band 5) showing participation at 8% in Furlough Exchange Program

PPEAPC0-E1595		SD EDB Entry/Update		06/12/09 17:03:36	
06/08/09 20:11:59		Appts./Distributions-Condense		Userid: SDUSERID	
ID: 000123456	Name: PROFESSOR, IAM A .		Emp Stat: P	Pri Pay: MO	
PAF Gen No: 121		Stu/Reg: _		Page 1 of 2	

Appt	Actions	Pgm	Typ	Bas	Pd	Ovr	Appt Begin	Appt End	Dur	Dept	FLSA
10		A	5	09	12		070194	999999	T	000987	1

Title	Grade	%Full	F/V	Ann/Hr Rate	Rt	Sch	Time	Lv
1100 PROFESSOR - ACADEMIC YEAR		1.00	F	111800.00	A	MO	N	N

Dist No	Actions	Index	Fund	Sub	FTE	Dis %	PayBeg	PayEnd	Step	OA	Rate/Amt	DOS	PRQ	D	W
11			MYFUND	19900A	0	1.00	1.0000	100107	063009	7	Q	9316.67	REG		ended
12			MYFUND	19900A	0	0.0800	090109	083110	7	Q	9316.67	SRB¹			deleted
13			MYFUND	19900A	0	0.9200	070109	063010	7	Q	9316.67	REG			added
14			MYFUND	19900A	0	1.00	0.0000	070109	063010	7	Q	9316.67	RGS		added
15			MYFUND	19900A	0	1.00	1.0000	070110	999999	7	Q	9316.67	REG		added

PPEAPC0-E1595		SD EDB Entry/Update		06/12/09 17:03:36	
06/08/09 20:11:59		Appts./Distributions-Condense		Userid: SDUSERID	
ID: 000123456	Name: PROFESSOR, IAM A .		Emp Stat: P	Pri Pay: MO	
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Appt	Actions	Pgm	Typ	Bas	Pd	Ovr	Appt Begin	Appt End	Dur	Dept	FLSA
20		A	5	09	12		070109	063010		000987	1

Title	Grade	%Full	F/V	Ann/Hr Rate	Rt	Sch	Time	Lv
3203 RESEARCHER - ACADEMIC YEAR		0.08	F	111800.00	A	MO	N	N

Dist No	Actions	Index	Fund	Sub	FTE	Dis %	PayBeg	PayEnd	Step	OA	Rate/Amt	DOS	PRQ	D	W
21			GRTFND	35670A	0	0.0800	070109	063010	7	Q	9316.67	REG			added

¹Distribution 12 will be system-generated during the Salary Reduction/Furlough Plan implementation process. It will be manually deleted by the departmental payroll contact when the SRREP research appointment and distribution are added.

PAN Comments:

- Delete salary reduction.*
- Does not affect pay.*
- Furlough Exchange Program approved [insert approval date.]*
- Retroactive to July pay period.*

Appendix 2

UC Furlough/Salary Reduction Band Tables for Academics

Banding Table 2A Academic Year Faculty					
Salary Band	MCB-NY	Annual Compensation	Hourly Accrual Rate	Furlough Days	Total Equivalent Salary Reduction (Approximate)
1	<=40	< =\$40,000	0.026923	7	4%
2	41-46	\$40,001- \$46,000	0.034615	9	5%
3	47-60	\$46,001-\$60,000	0.038462	10	6%
4	61-90	\$60,001-\$90,000	0.046154	12	7%
5	91-180	\$90,001-\$180,000	0.053846	14	8%
6	181-240	\$180,001-\$240,000	0.057692	15	9%
7	>240	>\$240,000	0.065385	17	10%

Banding Table 2B: Fiscal Year Faculty					
Salary Band	MCB-NY	Annual Compensation	Hourly Accrual Rate	Furlough Days	Total Equivalent Salary Reduction (Approximate)
1	<=40	< =\$40,000	0.038462	10	4%
2	41-46	\$40,001- \$46,000	0.046154	12	5%
3	47-60	\$46,001-\$60,000	0.053846	14	6%
4	61-90	\$60,001-\$90,000	0.061538	16	7%
5	91-180	\$90,001-\$180,000	0.073077	19	8%
6	181-240	\$180,001-\$240,000	0.084615	22	9%
7	>240	>\$240,000	0.092308	24	10