

# Limited Appointment Training Workshop

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Presented by:

Melinda Crawford, Employment Manager x5781  
Tricia Hiemstra, Benefits Manager x4832

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## 3. Types of Appointment

January 1, 2001

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### A. DEFINITIONS

**Career Appointment.** A career appointment is an appointment established at a fixed or variable percentage of time at 50 percent or more of full-time, which is expected to continue for one year or longer. In addition, a limited appointment shall be designated as a career appointment when the incumbent has attained 1,000 hours of qualifying service in any 12 consecutive months without a break in service of at least 120 consecutive calendar days. Qualifying service includes all time on pay status in one or more limited appointments. On-call and overtime hours shall not be included as pay status hours when computing qualifying service. Such career designation shall be effective the first of the month following attainment of 1,000 hours of qualifying service.

**Casual/Restricted Appointment.** A casual/restricted appointment is an appointment which is reserved for a regular student of the University of California. Such an appointment retains the designation casual/restricted regardless of the percent of full time or the duration of the appointment.

**Contract Appointment.** A contract appointment is an appointment established at a fixed or variable percentage of time for a definite period. Terms and conditions of employment are specified in a written employment contract.

**Floater Appointment.** A floater appointment is an appointment reserved for use in temporary employment pools and may be established at any percent of full time for up to two years duration. A subsequent two-year floater appointment may be established after a break in service of at least 120 consecutive calendar days. Employees holding floater appointments may be scheduled to work or not, as determined by the University.

**Limited Appointment.** A limited appointment is an appointment established at any percentage of time, fixed or variable, during which the appointee is expected to be on pay status for less than 1,000 hours in a 12-month period.

**Partial-Year Career Appointment.** A partial-year career appointment is established to accommodate foreseeable seasonal fluctuations in staffing, budgetary, operational, or other needs. A partial-year career appointment contains regularly scheduled periods, not to exceed three months per calendar year, during which the incumbent remains an employee but is not at work. Employees holding partial-year career appointments may choose to receive paychecks during working months only or, alternatively, to spread paychecks over twelve months.

**Per Diem Appointment.** A Per Diem appointment is one that adds to or substitutes for career and limited appointments on a pre-scheduled basis or as needed on a day-to-day basis as determined by the University. Employees who hold Per Diem appointments may be scheduled or not scheduled or called off from a pre-established schedule. Additionally, a Per Diem employee's eligibility for scheduling may be discontinued at any time without notice and without cause at the sole discretion of the University and without recourse to the complaint resolution procedures. (See [Policy 24, Per Diem Positions.](#))

### B. APPLICABILITY OF BENEFITS AND RETIREMENT PLAN MEMBERSHIP

Employees are eligible for University benefits and membership in the University's retirement plan in accordance with each plan's eligibility requirements as described in the plan documents/contracts, applicable regulations, and policy announcements.

Applicability: All Staff Members

## 22. Probationary Period

March 1, 2002

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### A. GENERAL

All professional and support staff employees who hold career appointments shall serve a probationary period during which time their work performance and general suitability for University employment shall be evaluated in writing. Except for those employees covered by Sections B and D below, the probationary period is completed following six months of continuous service at one-half time or more without a break in service. Time on leave with or without pay is not qualifying service for the completion of the probationary period. Employees who are rehired following a break in service shall serve a new probationary period whether or not they previously completed a probationary period. An employee who has satisfactorily completed the probationary period shall be informed in writing of the attainment of regular employee status.

### B. LIMITED AND PER DIEM APPOINTMENTS

An employee who is required to serve a probationary period and who has worked in a limited appointment immediately preceding the career appointment, shall have up to 1,000 hours on pay status, exclusive of on-call and overtime hours, credited toward completion of the probationary period, provided that the credited time was served in the same position and with the same supervisor that the employee had immediately prior to the career appointment.

A per diem employee who has worked at least the equivalent of 60 full-time shifts in six consecutive months in the same position to which he or she is subsequently appointed as a career employee shall have three months credited toward completion of the probationary period, provided that the 60 full-time shifts in six consecutive months immediately precede the career appointment.

### C. EVALUATIONS

Local procedures shall specify the timing and frequency of written evaluations of a probationary employee's work performance and general suitability for University employment.

### D. POLICE SERGEANTS, POLICE LIEUTENANTS, AND SUPERVISING PUBLIC SAFETY DISPATCHERS PROBATIONARY PERIODS

Supervising Public Safety Dispatchers serve a twelve-month probationary period instead of a six-month period. This twelve-month period is required even if the dispatcher has served a probationary period in a University class outside of the dispatcher series. The probationary period is completed following twelve months of continuous service at one-half time or more without a break in service, exclusive of time on paid or unpaid leave or in the Peace Officer Standards and Training (POST) Basic Academy.

Police Officers promoted to Sergeant serve a six-month probationary period in the new class to which they are promoted. The probationary period is completed following six months of continuous service at one-half time or more without a break in service, exclusive of time on paid or unpaid leave. Police Officers promoted to Sergeant who do not complete their probationary periods shall be retained in the same local department where service as Sergeant was performed, but shall return to the rank that applied immediately prior to the promotion unless a different or additional action is warranted as the result of corrective action pursuant to Policy 62, Corrective Action.

Police Sergeants promoted to Lieutenant serve a six-month probationary period in the new class to which they are promoted. The probationary period is completed following six months of continuous service at one-half time or more without a break in service, exclusive of time on paid or unpaid leave. Police Sergeants promoted to Lieutenant who do not complete their probationary periods shall be retained in the same local department where service as Lieutenant was performed, but shall return to the rank that applied immediately prior to the promotion unless a different or additional action is warranted as the result of corrective action pursuant to Policy 62, Corrective Action.

**E. RELEASE DURING PROBATIONARY PERIOD**

At any time during the probationary period an employee may be released in accord with Policy 61, Release During the Probationary Period or From Limited, Casual/Restricted, and Floater Appointments except as provided in Section D. for Police Officers promoted to Sergeant and for Police Sergeants promoted to Lieutenant.

**F. EXTENSION OF PROBATIONARY PERIOD**

Under appropriate circumstances, e.g., change of supervisor or transfer to a different job during the probationary period, the probationary period may be extended at the discretion of the department head. Such an extension shall be for a specific period of time, but not for more than three months unless local procedures permit a longer extension.

Applicability: Professional and Support Staff

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## **Look Forward Reports & Helpful PPS Tips**

### **I. Look Forward Reports**

There are four look forward reports that an employee's home department may receive. Note: Employees working for multiple departments require careful monitoring, and departments must keep in mind that UCSB is one employer and attaining 1,000 hours toward career status and/or benefits eligibility potentially has implications for all employing departments.

- Employees Approaching 1,000 Hours Toward Career Status
- Employees With 1,000 Hours Toward Career Status
- Employees Approaching 1,000 Hours Toward Benefits Eligibility
- Employees With 1,000 Hours Toward Benefits Eligibility

### **II. Helpful PPS Screens**

IHR2 – Helps to track hours toward benefits eligibility and career status

IERN – Helps to identify hours toward benefits eligibility and career status when multiple hiring departments are involved.

### **III. PPS Changes for Employees Converting to Career Status**

When a limited appointment employee has converted to career status following a recruitment or waiver of recruitment, the following PPS changes must be entered:

- Use the SAPT bundle.
- End the old type 2 (limited) appointment and distribution.
- Add a new type 3 (career) appointment and distribution line with an indefinite end date of 99/99/99; action code is "52".

### **III. PPS Entries for Limited Appointment Rehires**

When a limited appointment employee is rehired:

- Use the SREH bundle to process the rehire in PPS (DO NOT try to shortcut the process by using single screens.).
- PPS will derive the appropriate action code of "02" (Rehire) with the SREH bundle.
- If SREH bundle is processed correctly, PPS will automatically blank out fields in ESEP (e.g., "Last Day on Pay", "Separation Date", "Reason", and "Destination").
- Complete "Date of Hire" in the EPER screen as the most recent hire date (This will trigger the hours count toward career status to reset to "0" if the employee had a break in service of 120 days or more).

#### IV. PPS Entries for BYA's

##### Method #1 EDB setup - when BYA amount is the SAME each month

In EAPP, in the Appointment section, fill in the following fields as shown:

- % - Approximate percentage of time
- F/V - V
- Rt - B
- Sched - MO (or MA)
- Time - Z
- Lv - N
- For the Distribution section:
- **Rate/Amt - fill in monthly BYA amount**
- Dis % - leave blank
- FTE - leave blank
- DOS - BYA

##### Method #2 EDB setup - when BYA amount VARIES each month

In EAPP, in the Appointment section, fill in the following fields as shown:

- % - Approximate percentage of time
- F/V - V
- Rt - B
- Sched - MO (or MA)
- Time - Z
- Lv - N
- For the Distribution section:
- **Rate/Amt - leave blank**
- Dis % - leave blank
- FTE - leave blank
- DOS - BYA

When you process payroll online, be aware that BYA is ALWAYS reported as a flat amount. Method #1 is set up this way. But Method #2 requires a different amount to be reported each month. Do NOT attempt to report a BYA with an hourly rate or hours worked. If this is how you are planning to calculate the employee's pay, here's how to flatten it. Do the math yourself (rate x hours) and then report the resulting total amount in the 'Rate' field.

## **Recruitment Policy and Waivers**

### OPEN RECRUITMENTS AND WAIVERS

Staff Policy 20.C - For a filled limited appointment to be designated as a career appointment, recruitment, referral, and selection procedures shall normally be followed unless the position is to be filled by an incumbent who has been recruited as though the position were career.

Open recruitment will be conducted for limited appointments that are expected to exceed five months in duration, especially if the position being filled is within a job group for which minorities or women are underutilized and for which there is an affirmative action goal established by the local affirmative action office. The following are some recruitment options to consider:

- **Recruit as career**
- **Recruit as limited appointment with likelihood of going career**
- **Recruit as specific hour threshold (e.g., 700 hours)**

A **waiver of open recruitment** for filling a vacant career position may be authorized by Human Resources based on one of the following:

- ❖ unavailability of qualified applicants,
- ❖ highly specialized qualifications and requirements for the position,
- ❖ or special circumstances in which the recruitment procedure is not in the best interests of the campus.

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*A situation in which an employee has attained or is very near to attaining 1,000 hours toward career status will not be accepted as the only basis for an exception to the recruitment process. Departments are responsible for carefully managing and planning for their temporary positions.*

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### **Requesting a Waiver of Open Recruitment**

To request a waiver of open recruitment, send the following to Human Resources:

1. Original **Employment Requisition** with the control point and department head approvals
2. Original **Job Description** with the following signatures: Employee, Supervisor, and Department Head
3. Original UCSB **Job Application** completed and signed by the employee

The forms may be found on the Human Resources Web site:

<http://hr.ucsb.edu/Forms/index.htm#employment>

## CONVERSION TO CAREER STATUS GIVES EMPLOYEE:

- ❖ Eligibility for future merit increases (Note: Departments need to consider how merits are to be funded if position is sub-2 funded; if you have questions, contact Arlene Shelor in Budget & Planning at ext. 4052.)
  - ❖ Eligibility for two-thirds reduction in UC enrollment fees after employee attains regular (non-probationary) status
  - ❖ Expanded grievance rights
  - ❖ “Just Cause Standard” for termination (e.g. misconduct or failure to maintain appropriate work performance standards)
  - ❖ Preferential rehire and recall rights if laid off or receives a time reduction (Note: Contact Employee & Labor Relations if you anticipate having a layoff or a reduction in time.)
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## BUDGETARY IMPACT ON HIRING DEPARTMENT (2002)

- ❖ Contribution to OASDI will increase from 0% to 6.2%; Medicare will remain at 1.45%
- ❖ Employer cost for full medical, dental, vision, basic life and short-term disability
- ❖ Employer contributions for Core Benefits: \$30.47-\$69.47/month
- ❖ Employer contributions for Mid-Level Benefits: \$183.93-\$563.96/month
- ❖ Employer contributions for Full Benefits: \$222.22-\$689.31/month
- ❖ UCRP employee mandatory contribution of 2% of retirement gross: \$19.00

## Job Descriptions

### **Appointments less than 650 hours:**

Limited appointments less than 650 hours are classified by the department and no consultation or approval is required from Human Resources. This gives the departments the ability to hire very quickly for temporary positions without having to recruit for the position. These appointments are for positions that are up to a PSS 1 grade.

### **Appointments longer than 650 hours:**

If a limited appointment is longer than 650 hours, or if this appointment is near the end of the 6-month period and the department wishes to extend this appointment, the job description needs to be submitted to Compensation for review before the appointment begins. Although limited appointment jobs do not need to be recruited for and they can be hired very quickly, limited appointment job descriptions must be reviewed for classification approval by the appropriate Compensation analyst in advance of any hiring action.

### **Why is this classification needed?**

If Compensation does not review the job until after the hiring date, there is a risk that the payroll title assigned by Compensation will be different than what is anticipated by the department, possibly impacting the employee's pay.

## **Guidelines for Revised UCRP and Health & Welfare Policies**

*The University has added a revised set of criteria to those already established to provide eligibility for benefits.*

### **Two Paths to Eligibility for UCRP and Full Benefits**

As of January 1, 2001, there are two ways for employees to become UCRP members and eligible for Full Benefits:

1. **Eligibility based on appointment at hire:** An employee is eligible immediately if appointed to work at least 50% time for one year or longer.
2. **Eligibility based on hours worked:** An employee appointed for less than a year or at less than 50% time will become a UCRP member and eligible for full benefits after accumulating 1,000 hours on pay status in a rolling 12-month period.

Once in UCRP, an employee continues to be a UCRP member until there is a break in service. However, to maintain eligibility for health and welfare benefits, hours worked must be maintained at an average of 17.5 hours per week averaged over a rolling 12-month period.

### **How the 1,000-Hour Count Works for UCRP Eligibility:**

- An employee will become a UCRP member after accumulating 1,000 hours on pay status during a rolling 12-month period. A rolling 12-month period is any consecutive 12 calendar months with the oldest month dropping off as the new month is added.
- The effective date of UCRP membership will be no later than the first day of the month following the month in which the employee accumulates 1,000 hours on pay status within a 12-month period. From that point forward, the employee will accumulate UCRP service credit and will be entitled to benefits in accordance with the Plan.

### **Implementing UCRP and H&W Benefits Under the 1,000-Hour Rule**

- A new EDB Inquiry screen, IHR2, Hours Toward Eligibility, displays hours that count toward the 1,000-hour requirement for UCRP membership; this screen also displays hours the count toward career status. (The screen Hours on Pay Status continues to display the number of hours on pay status and the average hours worked per month.)

- Using the data displayed on IHR2, PPS will produce two monthly maintenance reports for departments and/or central offices to alert managers about the status of temporary employees:
  1. “Employees Approaching 1,000 Eligible Hours”
  2. “Employees with 1,000 Eligible Hours – Retirement set to U”
- If an employee continues to work after reaching the 1,000-hour threshold, PPS automatically makes the following changes in the employee’s record:
  - Changes retirement code from DCP Safe Harbor (H) to UCRP with Social Security (U)
  - Changes FICA code from Medicare only (M) to Medicare and OASDI (E)
  - Sets the assigned benefits eligibility level indicator (BELI) to 1
- The period of initial eligibility (PIE) for the H&W plans starts when the employee becomes a UCRP member.
- **Departments need to notify these employees about their expanded eligibility for benefits and the start of their PIE.**
- After initial eligibility for health and welfare benefits is reached, an employee must maintain an average of 17.5 work hours to maintain eligibility. PPS measures this average based on regular paid time hours per week over a rolling 12-month period.

### **What Hours Are Included in the 1,000-Hour Count for UCRP Eligibility?**

In addition to regular work hours, the hours count includes:

- Paid sick leave
- Holidays
- Vacation time
- Administrative leave with pay
- Paid jury duty
- Military leave with pay

The hours count DOES NOT include:

- Paid overtime
- Shift differential
- On-call hours

The hours carry forward from one department to another department via the PPS system. For transfers from location to location, the hours must be tracked manually.

## **Employees Excluded from UCRP**

The following groups of UC employees are excluded from UCRP membership regardless of appointment or hours worked. These employees may or may not be eligible for H&W benefits (see *Your Group Insurance Plans* for eligibility information):

- An employee who is at the University primarily for education or training
- An employee who receives pay under a special compensations plan but receives no covered compensation
- An employee who is appointed as a Regents' Professor or Regents' lecturer
- An employee who is hired after August 1, 1989 as a visiting appointee

## **Re-employment**

If an eligible employee terminates and is rehired within a 12-month period, PPS will automatically review the number of hours the employee worked during the rolling 12-month period immediately prior to the re-employment date. Any hours worked within the 12-month period will count toward satisfying the benefits eligibility rules. If the employee has worked the required hours for UCRP membership, the employee will be eligible to participate in UCRP upon rehire. If no hours were accumulated during the prior 12-month period, the employee will begin a new accumulation period.

## **Rehired Retirees**

- A retiree refers to a participant who is receiving retirement benefits from UCRP. Retirees cannot simultaneously receive retirement payments from UCRP and earn additional service credit from UCRP.
- An option to waive future retirement benefits will be available for this group of rehired retirees. The waiver will permit retirees to waive future participation in UCRP in order to continue receiving retirement benefits.
- UC Reappointment Guidelines apply.

## **Guidelines for the Rehire of UCRP Retirees**

The University of California hiring policies should include the following rules for the reemployment of former University employees who are receiving UC Retirement Plan pension benefits. Failure to adhere to these guidelines could endanger the favorable tax status of the UC Retirement Plan, which would result in tax for all participants. Taxable income could be based on the value of a member's entire accrued benefit in the UC Retirement Plan at the time of disqualification. The Internal Revenue Service (IRS) rules governing the UC Retirement Plan prohibit distributions unless an employee has separated from service. In judging whether or not a separation from service has occurred the IRS will look at the facts and circumstances of each case. The following represents some guidelines for the reemployment of retirees to ensure that a separation has occurred prior to reemployment:

2. Both the University and the employee must have intended that a separation from service occur and intended the separation to be permanent. A reduction in the number of hours (i.e., working part-time), or a transfer to a different location is not sufficient. In particular, the University cannot agree, prior to an employee's separation or retirement, to rehire such employee. The IRS has called agreeing to rehire prior to separation a "sham transaction".
3. The University must process the employee as if he/she has separated from service. For example, a COBRA election or information on retiree medical should have been provided to the employee upon separation, and other fringe benefits not available to anyone other than active employees should have terminated.
4. Upon termination, the employee must have surrendered some value, such as seniority or access to any benefits not available to anyone other than University employees.
5. The University cannot rehire the employee until the earlier of the employee receiving the first retirement payment or 90 days after the employee's retirement date.
6. Exigent circumstances should be causing the employee to return to work, such as the University could not find a suitable replacement after a search, the employee had a change in his or her personal circumstances, or the University's circumstances changed.
7. Generally, retirees should work less than 1,000 hours in 12 months (if paid hourly) or be recalled for 46% time appointments or less in order to continue to receive UC Retirement Plan benefits. This limitation is especially critical for rehiring of senior management.

Note: As a part of the employment process, it will be necessary to provide all retirees with an option either to waive future UC Retirement Plan service credit or to become an

active member accruing additional benefits (if the employee otherwise would be eligible to accrue UC Retirement Plan benefits in their new employment situation).

**Additional Favorable Facts for Protecting Plan Qualification**

- The employee has acquired new training or skills, which qualify the individual for a new position.
- The employee is returning to a completely different job (different supervisor, department, salary, schedules, etc.).
- The employee had interim employment with an employer unrelated to the University.

## **Appendix**

1. Frequently Asked Questions
2. Frequently Asked Questions for the Rehire of UCRP Retirees

## **Frequently Asked Questions**

### **UCbencom Article New Policies for Temporary Employment, FAQ's<sup>1</sup> February 8, 2001**

#### **To who do the new employment provisions apply?**

- The new policies apply only to staff that are in limited appointments on and after January 1, 2001.
- The policies are subject to collective bargaining obligations with exclusively represented groups as required under the Higher Education Employer Employee Relations Act (HEERA).
- The new provisions do not apply to UC employees in casual/restricted, per diem, by-agreement, contract, academic, or housestaff appointments.

#### **What does "career status" mean to the employee who attains it?**

Consistent with policies and bargaining agreements covering staff in limited appointments who attain career status, career status includes, but is not limited to, the following employment rights and privileges *prospectively* (as of the date of conversion to career status):

- Eligibility for future merit increases
- Eligibility for two-thirds reduction in UC enrollment fees
- Expanded grievance rights
- Just cause standard for termination
- Preferential rehire and recall rights if laid off and your specific appointment qualifies

#### **If I am in a part-time job when I convert from limited to career status, will I get a full-time job?**

No. You will retain your current part-time job, unless and until your appointment changes in the future.

#### **What hours count toward career appointment eligibility?**

Time on pay status (rather than time actually worked) in limited appointments during rolling 12-month period (without a break in service of at least 120 consecutive days) counts toward career appointment eligibility. For this purpose, time on pay status includes sick leave, extended sick leave, vacations, compensatory time off; military leave with pay, administrative leave with pay, and holidays. Overtime, on-call hours, shift differential, and time in career, casual/restricted, per diem, or floater appointments do not count toward meeting the 1,000-hour threshold for conversion to career status.

#### **Will prior career hours count toward conversion of a limited appointment to a career appointment?**

No. Prior career hours will not count towards eligibility for career status. Only the time

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<sup>1</sup> <http://www.ucop.edu/bencom/news/tempempfaq.html>

on pay status in limited appointments counts toward career status eligibility.

**If an employee converts to career status and subsequently is not on pay status for at least 1,000 hours in the next 12 months, does the employee retain career status?**

Yes. Once career status is attained, there is no requirement to maintain a minimum number of hours on pay status.

**Will an employee who holds a limited appointment and who has previous career service still be required to meet the 1,000-hour threshold before the appointment can convert to a career appointment?**

Yes. Prior career service does not shorten the 1,000 hours on pay status requirement for conversion to career status from a limited appointment.

**When a limited appointment converts to a career appointment based on the 1,000-hour provision, is career status prospective or is it effective at the beginning date of the limited appointment?**

Conversion to career status is prospective, effective starting the first of the month following attainment of the 1,000-hour threshold.

**If an employee holds two active limited appointments in two different departments at the same campus, which limited appointment converts to a career appointment when the 1,000-hour threshold is reached?**

Both appointments will convert to career appointments.

**How will career conversion impact leave accruals?**

It won't. The eligibility rules for sick leave and vacation leave will not change as a result of career conversion.

**What will happen to an employee's existing sick leave and vacation leave accruals once the employee converts from a limited appointment to a career appointment?**

The sick leave and vacation leave balances will carry over to the new appointment.

**What is the impact of career conversion on family and medical leave?**

Career conversion has no impact on family and medical leave.

**Why does the supervisor need to be the same for an employee to receive the probationary period credit when he or she converts to career status?**

Supervisors, who are responsible for achieving the goals of a unit or department, require an adequate amount of time to evaluate a new employee's work performance and general suitability for UC employment. If there is a change of supervisors near the end of an employee's probationary period (or, in this case, near the end of the employee's limited appointment), there may not be enough time for the new supervisor to adequately assess the employee's work performance. This requirement is consistent with current personnel policy where a supervisor may extend the probationary period because there has been a change of supervisors.

**If an employee reaches the 1,000-hour threshold and converts to a career appointment, when will that employee have career rights and privileges and become eligible for preferential rehire in the event of an indefinite layoff?**

The employee will have these rights when the probationary period is completed. Employees who have not completed their probationary periods would be subject to release in the event of a workforce or budgetary reduction, but they would not be subject to layoff or eligible for preferential rehire. This is consistent with current UC policy for all career employees.

**Will career conversion affect how seniority is calculated for purposes of layoff?**

No. Career conversion will not affect the calculation of seniority points.

**If an employee who holds a limited appointment attains 1,000 hours in the early part of a month, but the appointment does not convert to a career appointment until the first of the following month, what appointment category does the employee fall into during that intervening period? Can a department release such employees in the intervening period prior to conversion to career status?**

The appointment is a limited appointment until it converts to a career appointment on the first of the month following attainment of the 1,000 hours. If a pre-determined end-date occurs during this intervening period, the employee may be released.

**What is the significance of the 120-day break in service?**

In light of the new direction for UC's program for temporary employees, and as a matter of policy, the 120-day break-in-service was determined to be a reasonable and appropriate time period. However, departments will be able to rehire employees into limited positions, following a break in service of at least 120 consecutive days, without "bringing limited hours" from previous appointments to the new appointment.

**Expanded UCRP Membership Criteria**

**Who will be affected by the expanded UCRP membership criteria?**

These changes do not affect current members of the UC Retirement Plan (UCRP). The new policy applies to UC employees in limited appointments, contract appointments, and certain academic appointments not otherwise excluded from UCRP membership. Groups already excluded from UCRP membership continue to be excluded, including UC employees:

- who are at UC primarily for education or training (casual restricted)
- who receive pay under a special compensation plan but receive no covered compensation
- who are active members of CalPERS
- who were appointed in a per diem classification exempt from UCRP
- who were appointed as a Regents' Professor or Regents' Lecturer
- who were hired after August 1, 1989, as visiting appointees

**What hours count toward UCRP eligibility?**

Time on pay status (rather than time actually worked) during a rolling 12-month period counts toward UCRP eligibility. For this purpose, time on pay status includes sick leave,

extended sick leave, vacations, compensatory time off; military leave with pay, administrative leave with pay, and holidays. Overtime, on-call hours, shift differential, and time in casual/restricted, per diem, or floater appointments does not count toward meeting the 1,000-hour threshold for UCRP eligibility.

Note: The hours count for UCRP is not the same as the hours count for conversion to career status.

**What is the effective date of UCRP membership for an employee who reaches the 1,000-hour threshold for eligibility?**

For employees paid on a monthly cycle, the effective date will be the first of the following month. For employees paid on a biweekly cycle, UCRP membership may start earlier.

**Does an employee have to work 1,000 hours during a calendar year to be eligible for UCRP membership?**

No. Eligibility for UCRP membership is based on a rolling 12-month total, meaning that the oldest month in the count drops off as a new month is added. An employee is eligible after attaining 1,000 hours on pay status during *any* consecutive 12-month period.

**Do hours on pay status carry over if an employee moves from one UC position to another?**

Yes. The hours count includes any eligible time on pay status during the previous 12 months, but not earlier than January 1, 2001.

**If an employee becomes a UCRP member based on the 1,000-hour threshold, how will it affect her take-home pay?**

Before entering UCRP, an employee in a limited appointment contributes 7.5% of her pay to the DC Plan Pretax Account in lieu of Social Security contributions. Upon entering UCRP, an employee contributes 2% less \$19 a month to the DC Plan Pretax Account as well as 6.2% for Old Age, Survivors and Disability Insurance (OASDI) under Social Security. In addition to UCRP membership, an employee may also be eligible to enroll in UC health and welfare plans, some of which require a monthly contribution.

**If an employee becomes a UCRP member based on the 1,000-hour threshold, does that mean that he or she becomes a career employee?**

Not necessarily. Employment policies are separate from retirement policies. Under certain circumstances, it is possible to be a UCRP member without being a career employee. The opposite is also true: It is possible to be a career employee without being a UCRP member.

**Health and Welfare Benefits**

**What health and welfare plans will the employee be able to enroll in if he or she becomes a UCRP member based on the 1,000-hour threshold?**

With UCRP membership, employees are eligible to enroll in Full Benefits, which include medical, dental, vision, Basic Life, Supplemental Life, Basic and Expanded Dependent Life, Accidental Death and Dismemberment (AD&D), Short-Term Disability,

Supplemental Disability, Legal, Automobile/Homeowner/Renter, and DepCare.

**Will the employee also be able to enroll his or her family members?**

Yes. If you become eligible for Full Benefits, you can enroll yourself and any eligible family members.

**Is there a deadline for enrolling the employee and the employee's eligible family members and in the health and welfare plans?**

Yes. You must enroll during your 31-day period of initial eligibility (PIE), which starts when you become eligible for benefits. (In most cases, the PIE starts the first day of the month after an employee reaches 1,000 hours on pay status.) If you fail to enroll during your PIE, you will be defaulted into single-party coverage for Core Medical, Delta Dental, and the Vision Service Plan.

**How will the employee know if he or she becomes eligible for Full Benefits based on the 1,000-hour threshold?**

Your department should notify you when you become eligible for UCRP membership and Full Benefits.

**Once the employee is receiving Full Benefits, how many hours does the employee need to work to remain eligible?**

17.5 hours per week. This continuing requirement does not apply to the following plans: Supplemental Life, Dependent Life, AD&D, Legal, Automobile/Homeowner/Renter Insurance, or DepCare.

## **Frequently Asked Questions for the Rehire of UCRP Retirees**

### **UCRP retirees who return to work should be rehired according to the Guidelines for the Rehire of UCRP Retirees.**

To allow flexibility and to be consistent with the policies in place prior to January 1, 2001, rehired retirees will have the option to:

- Waive future UCRP service credit and continue to receive monthly retirement income, or
- Suspend monthly retirement income and become an active member of UCRP accruing additional benefits

Note: The waiver applies to UCRP membership eligibility only. Rehired retirees cannot waive future eligibility for a career appointment.

#### **Who is eligible to sign the waiver?**

All rehired retirees including:

- A rehired retiree who accepts an appointment that makes the individual an active UCRP member immediately (50% or more for a year or longer.)
- A rehired retiree who accepts an appointment which will make the individual an active UCRP member after attaining 1,000 hours on pay status in a 12-month period, such as, limited, contract, and certain academic appointments.

#### **Who should not elect to sign the waiver?**

A person who is not receiving UCRP retirement income.

- This includes members who received a lump sum cashout from UCRP or who are PERS members. They are not eligible to waive UCRP membership.

#### **Where does the retiree obtain the waiver form?**

- The rehired retiree must sign the waiver form at the time of re-employment.
- The waiver may be found on the HR Web site at <http://hr.ucsb.edu> under Emeriti/Retirees.

### **What does the retiree have to consider before signing the waiver?**

- Retiree must understand the impact of electing the waiver.
- Waiving any and all rights to additional UCRP accruals based on the period of reemployment with the University
- Ineligible for Full Benefits as an employee under the University's health and welfare plans (as described in *Your Group Insurance Plans*)
- Waiving any and all rights to additional UCRP accruals based on the period of reemployment with the University
- Ineligible for Full Benefits as an employee under the University's health and welfare plans (as described in *Your Group Insurance Plans*)
- Coverage as an annuitant can continue
- May be eligible for Core or Mid-level benefits
- Resources available to inform the retirees decision:
  - The waiver itself includes some basic information about how to calculate the value of future UCRP benefits.
  - A special Web-based UCRP retirement estimator developed specifically to allow retirees to estimate the minimum value of future UCRP benefits.
  - The retiree has 21 days to consider the waiver decision, and the decision can be voided for up to seven days after the waiver is elected. If there is a chance the retiree might waive UCRP membership, the department should delay re-employment actions until the retiree has made a decision on the waiver. Otherwise, the retiree may go into UCRP when he or she intended to waive future UCRP accruals.

### **When the retiree signs the waiver form, how should it be processed?**

- Forward the original copy of the signed waiver form to the local Benefits Office.
- The rehired retiree should keep a copy of the waiver form.

### **Do retirees have to sign a new waiver form every time they move from one post-retirement position to another?**

- Yes, a new waiver form is required each time a retiree starts a new period of re-employment.

- A period of re-employment is considered to have ended when a separation action is processed in PPS.

#### **What if the rehired retiree chooses to decline the waiver?**

- If a rehired retiree chooses to decline the waiver, he or she is subject to the same UCRP membership provisions as all other employees. Those who are subject to the 1,000-hour rule for UCRP eligibility will appear on the payroll monthly maintenance reports along with other temporary employees (the local payroll systems do not differentiate employees receiving UCRP retirement).
- UCRP requires that monthly retirement benefits be suspended if a retiree again becomes an active UCRP member.
- If the rehired retiree falls under the 1,000-hour rule for UCRP eligibility, the rehired retiree may continue to receive monthly retirement income until the 1,000 hours are reached.
- Beginning the first of the month after 1,000 hours are reached, the rehired retiree will start earning UCRP service credit and monthly retirement income must stop.
- The rehired retiree should contact Benefits to inquire on the status of when the 1,000-hour threshold is reached. Once the 1,000-hour threshold is reached, the rehired retiree should self-identify by notifying the local Benefits Office.
- If the rehired retiree forgets to tell the local Benefits Office, UC Retirement Services receives a report showing current retirees who receive UCRP service credit. If this occurs, Retirement Services will manually adjust UCRP records and retrieve from the rehired retiree any overpayment of retirement income.
- The rehired retiree will have an option to repay the overpayment immediately in a lump sum, arrange installment payments, or upon re-retirement the UCRP retirement income will be offset to account for the overpayment.
- For those rehired retirees who suspend monthly retirement and re-enter UCRP as an active employee, the UCRP rules and regulations for reinstatement apply.

#### **What if a rehired retiree, chooses to suspend retirement income and subsequently, as an active employee, desires to elect the waiver?**

- The waiver is only to be offered to rehired retirees at the time of hire.
- The rehired retiree employment would need to be terminated and rehired according to the Guidelines for Rehire of UC Retirees.

### **What if a retiree is rehired within a 12-month period?**

- If a retiree is rehired within 12 months of termination, PPS will automatically review the number of hours the employee worked during the prior 12-month period.
  - Any hours worked within the 12-month period will count toward satisfying the 1,000-hour eligibility rule for UCRP. If the rehired retiree has worked the required hours for UCRP membership, he or she will be eligible to participate in UCRP upon rehire.
  - The department should review the report for Employees Approaching 1,000 Hours Toward Benefits Eligibility for timely processing of the waiver form for the rehired retirees that are employed and wish to sign the waiver.
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