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University of California
Jobs Protection during the Pandemic
FY 2020-2021 Guidelines
Issued: November 23, 2020

Background

The current pandemic has created a complex set of financial challenges for the University. The impact of those challenges varies by location, and, within each campus, by function or operation. While the University can absorb some of the one-time losses, different campuses, necessarily, are situated differently.

Earlier this month, the Office of the President concluded a 30-day consultation period on a proposed 2020-21 curtailment program as one option among many available to address economic challenges created by the pandemic. Key elements included a shared systemwide response to the current and future economic uncertainty posed by the COVID-19 pandemic, while offering some degree of counterbalance in common days off work status and days off.

We appreciate the extensive and thoughtful feedback received during the consultation period. This Program is based on these principles:

- The Program will be used to avoid layoffs due to pandemic-linked economic impacts, to the extent possible.
- Supporting the health and well-being of employees and their families, including their long-term financial security, particularly for those in lower-paid positions.
- If salary actions are taken, in the spirit of equity and fairness, higher-compensated employees should carry a relatively larger burden through a tiered plan designed to protect employees with lower earnings.
- Each UC campus, Agriculture and Natural Resources, and the Office of the President will be afforded maximum flexibility, within common parameters.

In addition, the Regents of the University of California approved certain retirement program protections at the November 2020 Regents meeting (https://regents.universityofcalifornia.edu/regmeet/nov20/b5.pdf).

Use of a Common Baseline Relief Fund

Each campus, Agriculture and Natural Resources (ANR) and the Office of the President, will establish a relief fund to be used to minimize, to the extent feasible, layoffs associated with diminished revenues due to the effects of the COVID-19 pandemic.

Leadership at each campus location can, at their discretion, determine the appropriate strategy to achieve their common baseline relief fund target. Campuses have already enacted other cost-cutting measures and may consider further actions to take, alongside this Program. For some locations, the common baseline level will be insufficient to meet budgetary needs. Priorities and operational needs of each location will inform which option, or combination of options, is best to meet the target common baseline.

Options include temporary salary and time reductions, campus-based furlough programs, additional curtailment days, etc.

The target for each location represents the estimated savings if each location were to implement a program comparable to the program that will be implemented at the Office of the President (see Appendix A). If the goal is achieved through salary expense savings across all pay, it would represent roughly a 0.7% reduction in annual salary expenditures.

The relief fund may not be sufficient to eliminate all COVID-19 related layoffs; its primary goal is to limit them to the extent possible. As a first priority, the relief fund should be used to offset short-term losses associated with the COVID-19 pandemic. Layoffs associated with permanent changes in functions or operations, or as part of the natural course of business, are excluded from this program. Any portion of the relief fund that has not been expended at the end of the fiscal year may be redeployed to other priorities, as determined by campus leadership.

The use of internal redeployment pools can extend the availability of the relief fund. In some cases, the effects of the pandemic have increased demand for certain roles, while others have dropped off substantially. Redeployment pools make temporary opportunities in high demand areas available to UC employees who are able to meet those operational needs.

Campus Final Report

Campuses will provide a final report on or by the 20th of July, 2021 to the Office of the President regarding use of the relief fund and internal redeployments from December 1, 2020 through June 30, 2021. The Program is projected to conclude on June 30, 2021.

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APPENDIX A: The FY20-21 Program at the Office of the President

Annually, UCOP offices observe 3 administrative curtailment days in the month of December on the three business days that fall between December 24-25 and December 31-January 1 (both sets of dates are paid administrative holidays and may be observed on the nearest weekday if they fall on a weekend). This year, UCOP will add December 23, 2020 and January 4, 2021 as additional administrative closure dates. These additional days are intended as an administrative counter-balance to the planned tiered salary actions.

While the Office of the President is primarily administrative, there are several academic year appointees as well as responsibility for instruction. Administrative curtailment days are not available to academic year appointees since they do not accrue vacation. In addition, there are some staff performing essential work that is customarily continued through these annual curtailment periods. For these employees, salaries above $59,000 will be reduced at rates equivalent to those proposed within the applicable Earnings Tiers in the table below. In the spirit of equity, managers and supervisors of academic appointees, and those who are on work status during the administrative curtailment, are encouraged to extend as much flexibility as possible to these employees during this Program.

UCOP will effect a progressive approach in these actions to meet its relief fund goal. Employees will be grouped into salary tiers as identified in the table below. To support an ethos of shared sacrifice, the program will apply to all UCOP employees as is legally permissible.

Key elements of the use of UCOP's plan include:

- Employees in the lowest earnings tier will not experience any impact to individual pay.
- Employees in the highest earnings tier will have the maximum reduction to individual pay.
- Any impact to pay will be spread over the remainder of the fiscal year.

Salary level	Equivalent unpaid days	Estimated annualized % pay reduction through 6/30/21	Estimated per paycheck pay reduction for pay periods 1/1/20 through 6/30/21
$59,000 and below	0	0.00%	0.00%
$59,001 to $89,000	1	0.38%	0.77%
$89,001 to $118,000	2	0.77%	1.53%
$118,001 to $176,000	3	1.15%	2.30%
$176,001 to $234,000	4	1.53%	3.07%
$234,001 and above	5	1.92%	3.83%

Detailed instructions on implementation of the program will be forthcoming.