



OFFICE OF THE PRESIDENT
1111 Franklin Street, 11th Floor
Oakland, California 94607-5200

January 21, 2022

CHANCELLORS
ACADEMIC COUNCIL CHAIR ROBERT HORWITZ
LABORATORY DIRECTOR MICHAEL WITHERELL
ANR VICE PRESIDENT GLENDA HUMISTON

Re: Systemwide Review of Draft Presidential Policy – Supplement to Military Pay

Dear Colleagues:

Enclosed for systemwide review are proposed revisions to the Presidential Policy on Supplement to Military Pay (“policy”). The current policy was last extended on July 1, 2018 and expires on June 30, 2022.

Background

The Supplement to Military Pay policy was implemented on March 15, 1991 (retroactive to August 2, 1990) by former President Gardner. The policy was revised on December 14, 2001 by former President Atkinson, and extensions have been granted every two to four years from 2002-2022. This is the only systemwide policy that currently has a four-year renewal provision.

Key provisions of the Supplement to Military Pay policy are highlighted below:

- Supplement to Military Pay policy covers the compensation difference between an employee’s University pay and military pay for academic and staff personnel serving on active military duty in support of an ongoing overseas military mobilization campaign.
- Under the current policy, supplemental pay will be provided until the end of the employee’s active military commitment, until the conclusion of the employee’s University appointment or until June 30, 2022 (the expiration of the current policy), whichever comes first, subject to a two-year lifetime limit.
- Under the current policy, University contributions for medical, dental and vision coverage will be provided until the end of the employee’s active military commitment, until the conclusion of the employee’s University appointment or until June 30, 2022 (the expiration of the current policy), whichever comes first.

Since the policy is military-friendly, straightforward to administer, and applies to all University academic and staff employees, Systemwide Human Resources Policy Unit and Academic Personnel and Programs recommend that we eliminate the four-year renewal provision and continue the Supplement to Military Pay policy indefinitely.

Thus, for this latest systemwide review, we propose the following changes:

- Removal of all references to the four-year review provision.
- Additions/update of existing policy language including scope, definitions, benefits terminology, compliance/responsibility and procedures.
- Updated links and addition of gender neutral language throughout the policy.

Systemwide Review

Systemwide review is a public review distributed to the Chancellors, the Chair of the Academic Council, the Director of the Lawrence Berkeley National Laboratory, and the Vice President of Agriculture and Natural Resources requesting that they inform the general University community, especially affected employees, about policy proposals. Systemwide review also includes a mandatory, 90-day full Academic Senate review.

Employees should be afforded the opportunity to review and comment on the draft policy. Attached is a Model Communication which may be used to inform non-exclusively represented employees about the draft policy. With respect to its represented employees, the University will adhere to any applicable bargaining obligations that may exist in connection with the adoption of this policy. Accordingly, the University will follow appropriate procedures with respect to represented employees and the Office of the President's Systemwide Labor Relations office will assist with that process.

The systemwide review period for the Supplement to Military Pay draft policy is **January 21, 2022 through April 21, 2022**. The draft policy is posted on [UCNet](#).

Comments from the Academic Senate and campus academic administrators should be submitted to ADV-VPCARLSON-SA@ucop.edu. Comments from HR leadership and staff employees should be compiled by HR Policy Coordinators and submitted to SHR Policy through Box. SHR Policy will communicate further with HR Policy Coordinators about this process.

Questions relating to academic personnel may be directed to Project Policy Analyst Gina Durrin at Gina.Durrin@ucop.edu. Questions from staff should be directed to location HR Policy Coordinators. Location questions related to staff employees may be directed to Systemwide HR Policy Specialist Olga Zundel at Olga.Zundel@ucop.edu.

Sincerely,



Susan Carlson
Vice Provost
Academic Personnel and Programs



Cheryl A. Lloyd
Vice President
Systemwide Human Resources

Enclosures:

Proposed Draft Presidential Policy – Supplement to Military Pay (clean copy)
Proposed Draft Presidential Policy – Supplement to Military Pay (tracked copy)
Model Communication

cc: President Drake
Provost and Executive Vice President Brown
Executive Vice Chancellors/Provosts
Executive Vice President and Chief Operating Officer Nava
Senior Vice President and Chief Compliance Officer Bustamante
Vice President Maldonado
Vice President and Vice Provost Gullatt
Vice Provosts/Vice Chancellors for Academic Affairs/Personnel
Assistant Vice Provosts/Vice Chancellors/Directors - Academic Personnel
Chief Human Resources Officers
Academic Council Vice Chair Cochran
Associate Vice Provost Lee
Deputy General Counsel Woodall
Executive Director Baxter
Executive Director Silas
Chief of Staff and Executive Director Henderson
Chief of Staff Kao
Chief of Staff Levintov
Chief of Staff Peterson
Chief Policy Advisor McAuliffe
Principal Counsel Kim
Director Grant
Director Roller
Director Sykes
Associate Director DiCaprio
Associate Director Fishel
Associate Director Nguyen
Associate Director Woolston
Assistant Director LaBriola
Manager Carr
Manager Donnelly
HR Manager Crosson
Policy Specialist Zundel
Analyst Durrin
Policy Advisory Committee



Supplement to Military Pay

Academic Officer:	Vice Provost – Academic Personnel and Programs
Academic Office:	APP – Academic Personnel and Programs
Staff Officer:	Vice President – Human Resources
Staff Office:	HR – Human Resources
Issuance Date:	July 1, 2018 <u>TBD 2022</u>
Effective Date:	<u>TBD 2022</u> July 1, 2018
Last Review Date:	May 11, 2018
Scope:	This policy applies to all University academic and staff employees, <u>including Lawrence Berkeley National Laboratory employees.</u>

	Academic	Staff
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I. POLICY SUMMARY

This policy describes the salary supplement that is provided to those University academic and staff personnel serving on active military duty in support of an ongoing

overseas military mobilization campaign. ~~This policy is effective July 1, 2018 through June 30, 2022.~~

II. DEFINITIONS

Detailed information about common terms used within Personnel Policies for Staff Members can be found in [Personnel Policies for Staff Members 2 \(Definition of Terms\)](#).

Detailed information about common terms used within the Academic Personnel Manual (APM) can be found in [Academic Personnel Definitions \(APM-110\)](#).

Supplement to Military Pay: Compensation paid to a University employee who has been called to active military duty in support of an ongoing military mobilization campaign. The Supplement to Military Pay is the difference between an employee's University pay and active military duty pay.

III. POLICY TEXT

A. Eligibility

All employees who, as members of the National Guard, the Armed Forces, the commissioned corps of the Public Health Service, or any other category designated by the President, are serving on active military duty in support of an ongoing overseas military mobilization campaign are eligible for supplements to their military pay.

For purposes of this policy, "employee" is meant to include individuals who hold an academic, career, limited, floater, casual-restricted, contract, or per diem appointment, regardless of the percentage of time worked.

B. Components of an Employee's Supplement to Military Pay

An employee's Supplement to Military Pay will depend on the components of the employee's current University compensation as discussed below.

- 1. Health Sciences Compensation Plan:** The University pay of employees compensated under the [Health Sciences Compensation Plan](#) is both the base salary and the negotiated compensation (exclusive of incentive payments) in effect and paid through the University payroll when military leave commences, plus faculty recruitment allowance, if applicable.
- 2. Staff Physicians and Dentists Compensation Plan:** The University pay of employees compensated under the Staff Physicians and Dentists Compensation Plan is both the base salary and non-base salary (exclusive of incentive payments) in effect and paid through the University payroll when military leave commences.
- 3. All Other Employees:**

- a) **Eligible Earnings:** The University pay of all other employees is the employee's regular base pay rate plus any of the following eligible earnings:
- shift differentials;
 - clinical nurse differentials;
 - non-base building pay for nurses;
 - police specialty pay;
 - stipends (department chair, etc.); and
 - faculty recruitment allowance.
- c) **Ineligible Earnings:** Ineligible earnings include the following:
- overtime;
 - uniform allowances;
 - UNEX BYA;
 - summer session salaries;
 - on-call pay;
 - honoraria;
 - incentive and performance awards;
 - non-elective deferred compensation
 - consulting fees;
 - pay for a position that is not normally full-time, except if paid on a salary or hourly rate basis;
 - housing allowance;
 - additional academic compensation, including summer and UNEX compensation; and
 - terminal vacation pay.
- d) **Range Adjustments, Merit Increases, and Promotion Increases:** The base pay rate will be adjusted for range adjustments, merit increases, and promotion increases that would have been granted had the employee not been ordered to active military duty.
- e) **Variable-Time Appointments:**
- **Staff:** The base pay rate of an employee with a variable-time appointment will be adjusted for the average hours on pay status during the three months prior to commencement of military leave, exclusive of hours attributed to overtime.
 - **Academic Appointees:** For academic appointees who report time on a variable basis, eligible earnings are an average of the appointee's eligible earnings for the three calendar months (for an appointee paid on a monthly basis) or six pay periods (for an appointee paid on a bi-weekly basis) immediately prior to the period in which the military leave begins, excluding periods with approved leave without pay. If the consecutive three months or six bi-weekly pay periods immediately

preceding the beginning of the military leave cannot be used due to approved leave without pay, the look-back period may be extended up to, but no longer than, one year prior to the beginning of the leave, using the most recent applicable pay periods not to exceed the term of the appointment.

- f) ***Irregular-Shift Assignments:*** The shift differential component of the gross University pay of employees who are not assigned to the same shift on a regular basis will be calculated by taking an average of the shift differentials paid over the three months prior to commencement of military leave.

C. Duration

Supplement to Military Pay, as defined in this policy, will begin on the first day of unpaid military leave. The Supplement to Military Pay will extend for a period not to exceed the employee's tour of active duty, ~~until June 30, 2022,~~ or until the separation date of an employee's University appointment, whichever comes first.

A University employee who has a separation date due to budgetary restrictions or an appointment end date may be reappointed in accordance with University policy and procedures. If such a reappointment occurs during the employee's active military duty, the employee's Supplement to Military Pay will continue into the subsequent appointment until the end of the active duty, ~~or until June 30, 2022, whichever comes first.~~

Benefits provided under the policy are subject to a two-year lifetime limit, retroactive to December 14, 2001 (the policy's original start date).

D. Benefits

1. Health and Welfare Benefits

An employee receiving a Supplement to Military Pay will be considered to be on pay status. To determine the circumstances in which employees can continue health and welfare benefits while receiving a Supplement to Military Pay, please refer to the Group Insurance Regulations (GIR) under Military Leave for further information.

~~An employee who is on pay status may continue coverage under the following plans during the employee's tour of active military duty for up to two years:~~

- ~~• Medical Plans~~
- ~~• Dental Plans~~
- ~~• Vision Plan~~
- ~~• Life Insurance Plans~~
- ~~• Accidental Death & Dismemberment Plans (AD&D)~~
- ~~• Legal Plans~~

~~If an employee is enrolled in TRICARE military medical coverage during the employee's tour of active military duty and the employee continues coverage in a UC medical plan, TRICARE becomes the primary insurer with regard to the employee's medical coverage while eligible family members' primary coverage will continue to be through the University plan.~~

~~Coverage for Basic Disability, Voluntary Short-Term Disability Insurance, and Voluntary Long-Term Disability Insurance will terminate on the last day the employee is actively at work at the University even if the employee is on pay status during a tour of active military duty.~~

~~For plans where there is a University contribution, the University contribution for an employee who is on pay status will continue during the employee's tour of active military duty for up to two years. Thereafter, the employee (and eligible family members, if any) may continue medical, dental, vision, and Health Flexible Spending Account (Health FSA) coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) continuation provisions, provided that the employee pays the entire coverage cost and administrative fee. The employee may also have coverage options through the military. The employee may continue coverage for medical, life insurance, AD&D, and legal under the respective plans conversion or porting provisions.~~

~~An employee who is on pay status may continue participation in Dependent Care Flexible Spending Account (DepCare FSA) during the employee's tour of active military duty for up to two years. Contributions stop when the Supplement to Military Pay payments end and the employee is no longer on pay status. Eligible expenses incurred through the end of the pay period in which the employee made the last contribution are eligible for reimbursement. Claims must be filed by the filing deadline of the following year or funds left in the account will be forfeited.~~

~~An employee who is on pay status may continue participation in Health FSA during the employee's tour of military active duty for up to two years. Contributions will stop when the employee is no longer on pay status. Unless the employee continues participation under COBRA, only eligible expenses incurred through the end of the pay period in which the employee made the last contribution are eligible for reimbursement. Claims must be filed by the filing deadline of the following year or funds left in the account will be forfeited.~~

~~An employee may continue automobile and homeowner/rental insurance during the employee's tour of active military duty.~~

~~If an employee is enrolled in TRICARE military medical coverage during the employee's tour of active military duty and the employee continues coverage in a UC medical plan, TRICARE becomes the primary insurer with regard to the employee's medical coverage, while eligible family members' primary coverage will continue to be through the University plan.~~

Active military duty is considered employment, and some UC-sponsored health and welfare benefits exclude coverage of employment-related injuries or illnesses. In addition, some plans have coverage exclusions for injuries or illnesses that occur due to combat or acts of war. See the applicable Plan Documents for more detail.

If an employee is separated from University employment while on a tour of active military duty, the employee's coverage will cease at the end of the month in which the separation occurs. An employee may opt to ~~continue~~ continue health and welfare benefits through COBRA, conversion, or porting, as applicable. Please refer to the GIRs for detail. ~~medical, dental, vision, and Health FSA coverage under COBRA's continuation provisions.~~

~~Most UC-sponsored plans have exclusions that apply to employees on active military duty. Contact your local benefits office for additional information or see applicable Plan Documents for more detail.~~

An employee not eligible for the Supplement to Military Pay, because their military pay exceeds their University pay, may elect to use accrued vacation, PTO and/or compensatory time off (CTO), in order for the University to continue to pay the University's contribution to their health plan premiums through the employee's tour of active duty, or until the separation date of an employee's University appointment, whichever comes first. Benefits provided under the policy are subject to a two-year limit, retroactive to December 14, 2001.

2. Retirement Benefits

Any applicable University and employee contributions to the University of California Retirement System plans, including the [University of California Retirement Plan \(UCRP\)](#), the [Defined Contribution Plan \(DC Plan\)](#), ~~the~~ [Tax-Deferred Plan \(403\(b\) Plan\)](#), and the [457\(b\) Deferred Compensation Plan \(457\(b\) Plan\)](#) will continue for eligible employees in accordance with the plan provisions while a paycheck is received and will stop with the employee's last paycheck. Employee contributions during the military leave will be based on the Supplement to Military Pay amount and any employee elections as applicable.

An employee on military leave may suspend 403(b) Plan loan repayments for the period of military leave as provided under the [Uniformed Services Employment and Reemployment Rights Act \(USERRA\)](#) and the 403(b) Plan provisions.

Retirement service credit (~~UCRP and Savings Choice service credit~~) will be earned in accordance with the [University of California Retirement Plan \(UCRP\) and DC Plan](#) provisions for the period of military service and for a period following military service, provided that the employee returns to University

employment following the leave or notifies the University in writing of ~~his or her~~ **the employee's** intent to return to work in accordance with any applicable reemployment rights ~~and UCRP provisions.~~

~~For those employees who elect to continue their University coverage but are ineligible for the Supplement to Military Pay because their military pay exceeds their University pay, the University will continue to pay the UC contribution to their health plan premiums through the employee's tour of active duty, until June 30, 2022, or until the separation date of an employee's University appointment, whichever comes first. Benefits provided under the policy are subject to a two-year limit, retroactive to December 14, 2001.~~

If the employee returns to University employment, the employee may be eligible to make up contributions to the DC Plan, the 403(b) Plan, and/or the 457(b) Deferred Compensation Plan that were missed due to the period of military leave, in accordance with USERRA and applicable plan provisions.

E. Special Situations

1. **Leaves With and Without Pay:** Employees who received orders to report for active military duty while on an approved leave, with or without pay (e.g., sabbatical, personal, or research leave), will, for the purpose of calculating the Supplement to Military Pay, be returned to their regular status.
2. **Temporary Reductions in Time:** Employees who received orders to report for active military duty while on a temporary reduction in time will, for the purpose of calculating the Supplement to Military Pay payments, be returned to their regular status at the expiration date of such temporary reduction in time. The employee's department or applicable unit will be responsible for adjusting the Supplement to Military Pay payments at such expiration date.
3. **Temporary Layoffs:** Employees who received orders to report to active military duty while on a temporary layoff will, for the purpose of calculating the Supplement to Military Pay payments, be returned to their regular status at the expiration date of the temporary layoff. The employee's department or applicable unit will be responsible for submitting the documentation required to initiate the Supplement to Military Pay payments at such expiration date. The Supplement to Military Pay payments should begin at the expiration date of the temporary layoff.
4. **Indefinite Layoffs:** Employees who received orders to report to active military duty while on an indefinite layoff are not eligible for Supplement to Military Pay payments.
5. **Partial Year Career Employees:** Military pay will not be supplemented during the months when employees are on furlough unless such employees have elected to spread their paychecks over 12 months. Periods of time spent on unpaid furlough will not be included in the calculation of the Supplement to Military Pay payments.

The employee's department or applicable unit will be responsible for terminating the Supplement to Military Pay payments when such employee would normally go on unpaid furlough and for reinstating the Supplement to Military Pay payments when such employee would normally return to pay status.

IV. COMPLIANCE / RESPONSIBILITIES

A. Implementation of the Policy

Executive Officers (the University President, Chancellors, Lawrence Berkeley National Laboratory Director, or Vice President of Agriculture and Natural Resources) and their designees will develop procedures and supplementary information to support implementation of this policy. Responsible Officers (Vice Provost – Academic Personnel and Programs and Vice President – Systemwide Human Resources) may interpret and clarify the policy. All substantive policy changes are made through the standard process for Presidential policy.

Exceptions to local procedures required by the policy must be approved by the Executive Officer or designee.

B. Revisions to the Policy

The President approves this policy and any revisions upon recommendation by the Responsible Officers. Vice Provost – Academic Personnel and Programs and Vice President – Systemwide Human Resources have the authority to initiate revisions to the policy, consistent with approval authorities and applicable Bylaws and Standing Orders of the Regents.

The UC Provost and Executive Vice President for Academic Affairs and the Executive Vice President – Chief Operating Officer have the authority to ensure that the policy is regularly reviewed, updated, and consistent with other governance policies.

C. Approval of Actions

Actions within this policy must be approved according to local procedures. Actions related to Senior Management Group employees must be approved by the President.

D. Compliance with the Policy

The Executive Officer at each location will designate the local management office that is responsible for monitoring, enforcing, and reporting policy compliance. The Senior Vice President and Chief Compliance and Audit Officer will periodically audit and monitor compliance with the policy.

E. Noncompliance with the Policy

Noncompliance with this policy may result in remediation, educational efforts, and/or employment consequences up to and including informal counseling, adverse performance evaluations, corrective action/discipline, and termination.

For policy-covered staff employees, corrective action/discipline is governed by Personnel Policies for Staff Members 62 (Corrective Action), 63 (Investigatory Leave), and 64 (Termination and Job Abandonment); Personnel Policies for Staff Members-II 64 (Termination of Appointment), which applies to Senior Management Group (SMG) employees; and as applicable, other policies and procedures.

For academic personnel, formal corrective action/discipline is governed by APM - 015 (The Faculty Code of Conduct); APM - 016 (University Policy on Faculty Conduct and the Administration of Discipline); APM - 150 (Non-Senate Academic Appointees/Corrective Action and Dismissal) and as applicable, other policies and procedures.

For represented employees, formal corrective action/discipline is governed by collective bargaining agreements, and as applicable, other policies and procedures.

A.—Implementation of the Policy

~~Responsible Officers (Vice Provost—Academic Personnel and Programs and Vice President—Systemwide Human Resources) have the authority to develop procedures or other supplementary information to support the implementation of this policy. Responsible Officers may apply appropriate and consistent interpretations to clarify the policy provided that the interpretations do not result in substantive changes to the underlying policy.~~

~~The Executive Officer (the University President, Chancellor, Lawrence Berkeley National Laboratory Director, or Vice President of Agriculture and Natural Resources) at each location is authorized to establish and is responsible for local procedures to implement the policy. Local procedures must be consistent with the policy. Exceptions to procedures required by this policy must be approved by the Executive Officer.~~

A.—Revisions to the Policy

~~The President is the Policy Approver and has the authority to approve this policy and any revisions upon recommendation by the Responsible Officers.~~

~~The Responsible Officers have the authority to initiate revisions to the policy, consistent with approval authorities and applicable Bylaws and Standing Orders, and Policies of the Regents.~~

~~The UC Provost and Executive Vice President for Academic Affairs and the Executive Vice President and Chief Operating Officer have the authority to ensure that policies are this policy is regularly reviewed, and updated in a manner that is consistent with other University policies.~~

B.—Approval of Actions

~~Actions within this policy must be approved in accordance with local procedures. Executive Officers and Responsible Officers are authorized to determine responsibilities~~

~~and authorities at secondary administrative levels in order to establish local procedures necessary to implement this policy.~~

~~All actions that exceed this policy, or that are not expressly provided for under any policy, must be approved by the Responsible Officers.~~

~~C. Compliance with the Policy~~

~~Noncompliance with the Policy is managed in accordance with the following:~~

- ~~1. For employees covered by *Personnel Policies for Staff Members (PPSM)* 62, 63 and 64, pertaining to disciplinary and separation matters, and in accordance with other University policies;~~
- ~~2. For academic appointees covered by the *Academic Personnel Manual (APM)*; The Faculty Code of Conduct (APM – 015) and University Policy on Faculty Conduct and the Administration of Discipline (APM – 016); or Non-Senate Academic Appointees/Corrective Action and Dismissal (APM – 150); or~~
- ~~3. For employees covered by a collective bargaining agreement, the applicable collective bargaining agreement.~~

~~The Executive Officer at each location will designate the local management office responsible for monitoring, enforcing, and reporting compliance mechanisms.~~

~~The Senior Vice President–Chief Compliance and Audit Officer will periodically audit and monitor compliance with the Policy.~~

V. PROCEDURES

The steps an employee must take to initiate the Supplement to Military Pay are explained below. ~~The procedures below reflect how locations that have not yet migrated to UCPath will process an employee's request for a Supplement to Military Pay. For locations that have already migrated to UCPath, procedures may differ; Employees should contact their~~ the local Academic Personnel or Human Resources Office ~~may be consulted~~ for additional information. At some locations, the responsibilities of the employee's department may be handled by a central unit.

A. Documentation Required to Initiate Supplement to Military Pay Payments

- 1. Supplement to Military Pay Worksheet:** The employee's department and the employee, or the person who holds the power of attorney on behalf of the employee, are responsible for completing the [Supplement to Military Pay Worksheet](#). The purpose of the worksheet is to calculate the gross Supplement to Military Pay and to obtain acknowledgement from the employee that any overpayments will be returned to the University.
- ~~2. Personnel Action Form or Equivalent Document & Sabbatical Leave/Special Leave of Absence:~~ **Leave of Absence Request:** Military leaves of absence and supplements to military pay should be requested in accordance with the

~~local procedure pertaining to leave of absence requests. The employee's department is responsible for completing a Personnel Action Form, Personnel Transaction Request Form or equivalent document and Sabbatical Leave/Special Leave of Absence Form (UPAY 573) to place the employee on military leave. The department should establish as the end date on the current pay Distribution(s) the last date that the employee will receive University pay.~~

~~In accordance with local procedures the department should establish a new Distribution for the period of the military leave, using the calculated gross supplemental pay (line 13, 14, or 15) determined on the Supplement to Military Pay Worksheet. The department should associate the Gross Supplemental Pay amount with the Description of Service Code "SMP." The department should establish a new Distribution with a Begin Date as of the last day of the employee's Military Leave Date and with the same End Date on the original Distribution. If the employee remains on active military duty, the department should complete a Leave of Absence action.~~

3. **Leave and Earnings Statement:** The employee, or the person who holds the power of attorney on behalf of the employee, will be responsible for documenting/estimating the military pay. If available, a Leave and Earnings Statement (LES) will be used to determine the gross monthly military pay. If an LES is not available, the gross military pay may be estimated.
4. **Power of Attorney:** If an employee has designated a power of attorney, documentation of such power of attorney will be submitted along with the completed worksheet.
5. **Cancelling Coverage for All Health & Welfare Benefits:** Employees may enroll in, change, cancel or opt out of health and welfare benefits through UCPATH. An Enrollment, Change, Cancellation, or Opt-Out Form (UPAY 850) will be given to the employee, or the person who holds the power of attorney on behalf of the employee. This form must be submitted to the employee's local benefits office to cancel any plans the employee chooses not to continue during their military leave. Failure to submit UPAY 850 will result in automatic deductions from the Supplement to Military Pay payments to continue enrollment in these plans.
6. **Payroll Earnings Distribution Authorization:** A Pay Disposition Authorization Form will be given to the employee. This form must be completed and returned to the department if the employee wishes to change his or her disposition of pay. Employees may change their disposition of pay through UCPATH.

B. Initiating the Supplement to Military Pay

1. **If the Employee Has Not Yet Reported To Active Military Duty:** The employee's department and the employee (or the person who holds the power of attorney on behalf of the employee) are responsible for providing and/or completing the ~~forms outlined within these procedures.~~ relevant forms.

2. If the Employee Has Reported To Active Military Duty and Not Returned:

The employee's department will attempt to contact and inform the employee on military leave (or the person who holds the power of attorney on behalf of the employee) of the Supplement to Military Pay and the procedures required to initiate the Supplement to Military Pay payments.

The Supplement to Military Pay payments will not be issued without the signature of the employee, or the person who holds the power of attorney on behalf of the employee, on the [Supplement to Military Pay Worksheet](#). If a department is unable to obtain a completed worksheet and LES from an employee, or the person who holds the power of attorney on behalf of the employee, the Supplement to Military Pay payment will be calculated and issued upon the employee's return to work.

3. If the Employee Has Returned From Active Military Duty: The employee will submit copies of all LES covering the period of time in which the employee was eligible for Supplement to Military Pay payments. The employee's department will be responsible for calculating the total gross Supplement to Military Pay payment and submitting the required paperwork in accordance with established location procedures.

C. Issuing Payments

- 1. Retroactive Payments:** The employee's department will be responsible for submitting all retroactive paperwork, ~~including the PAF or equivalent document, Sabbatical Leave/Special Leave of Absence Form (UPAY573), leave of absence request form, and late pay transactions.~~ If an employee is eligible for future Supplement to Military Pay payments, the department will complete a ~~PAF or the relevant~~ equivalent document(s) based upon the most recent worksheet and LES obtained from the employee, or the person who holds the power of attorney on behalf of the employee.
- 2. Pro-Rated Payments:** The employee's department will be responsible for pro-rating Supplement to Military Pay payments that do not cover a full pay period for employees covered by positive time reporting.
- 3. Extensions and Multiple Military Leaves:** The employee's department will be responsible for ensuring that Supplement to Military Pay payments for employees with extensions of their original orders or with multiple military leaves are consistent with these guidelines.
- 4. Deductions:**
 - a) Mandatory Deductions:** Supplemental payments will be subject to Federal income tax, State income tax, OASDI, and Medicare. Garnishments/Earnings Withholding Orders for Support, if applicable, will be withheld as well as any mandatory retirement plan contributions.
 - b) Voluntary Deductions:** Voluntary deductions will continue to be withheld unless cancelled by submittal of the appropriate cancellation forms.

c) **Employer Contributions:** Departments are responsible for University contributions.

5. **Issuance:** Supplement to Military Pay payments will be issued during the military leave as part of the normal payroll cycle for each affected employee, except for retroactive payments. The Supplement to Military Pay will be distributed to the disposition selected by the employee.
6. **Terminating Supplement to Military Pay Payments:** The employee's department will be responsible for ensuring that, upon expiration of the Supplement to Military Pay payments, the employee's status is correctly reflected on the ~~PAF or equivalent document~~ relevant document(s).

D. Reconciliation

1. **Reinstatement:** When an employee returns to work from active military duty, the employee will submit an LES for each month for which the Supplement to Military Pay was earned or received. The employee's department will be responsible for reconciling actual Supplement to Military Pay payments with all LES. Any overpayments or underpayments will be adjusted in accordance with established location payroll procedures.
2. **Benefits:** Employees returning from military leave have a 31-day period of initial eligibility to reenroll in coverages which lapsed or were cancelled during the extended military leave. The period begins with the date of return to ~~normal~~ pay status.
3. **Retirement Service Credit:** Covered compensation and retirement service credit (UCRP and Savings Choice service credit) earned during an extended military leave will be manually adjusted when the employee returns to pay status by submitting a copy of the Leave of Absence History or equivalent and copies of PAF or equivalent document documenting the extended military leave and verification of the the employee's military orders to the ~~retirement membership unit~~ Retirement Administration Service Center.
4. **University Contributions:** University contributions to the Retirement Savings Program that would have been earned during an extended military leave will be manually adjusted upon notice of the employee's return to pay status.
- 4.5. **Employees Who Do Not Return to University Service:** Employees who elect to terminate their University appointment will be responsible for contacting their former departments to initiate reconciliation between their estimated and actual military earnings. Employees who have been underpaid will receive the balance due. Overpayments will be repaid to the University.

Overpayments will be forgiven if an employee is killed or is disabled to the extent that such employee cannot return to University employment.

VI. RELATED INFORMATION

- [Consolidated Omnibus Budget Reconciliation Act of 1985 \(COBRA\)](#)
- [Legal Plan Insurance](#)
- [Supplemental Life Insurance](#)
- [Homeowner/Rental/Auto Insurance](#)
- [Basic Disability, Voluntary Short-Term Disability Insurance, and Voluntary Long-Term Disability Insurance](#)
- [Health Flexible Spending Account \(Health FSA\)](#)
- [Dependent Care Flexible Spending Account \(DepCare FSA\)](#)
- [Accidental Death & Dismemberment \(AD&D\)](#)
- [Defined Contribution Plan \(DC Plan\)](#)
- [457\(b\) Deferred Compensation Plan](#)
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VII. FREQUENTLY ASKED QUESTIONS

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An employee may opt to continue medical, dental, vision, and Health FSA coverage under COBRA's continuation provisions.

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Supplement to Military Pay

Academic Officer:	Vice Provost – Academic Personnel and Programs
Academic Office:	APP – Academic Personnel and Programs
Staff Officer:	Vice President – Human Resources
Staff Office:	HR – Human Resources
Issuance Date:	TBD 2022
Effective Date:	TBD 2022
Last Review Date:	May 11, 2018
Scope:	This policy applies to all University academic and staff employees, including Lawrence Berkeley National Laboratory employees.

	Academic	Staff
Contact	Kimberly Grant (APP)	Melanie Carr (HR)
Email:	Kimberly.Grant@ucop.edu	Melanie.Carr@ucop.edu
Phone:	(510) 987-9499	(510) 987-0360

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I. POLICY SUMMARY

This policy describes the salary supplement that is provided to those University academic and staff personnel serving on active military duty in support of an ongoing overseas military mobilization campaign.

II. DEFINITIONS

Detailed information about common terms used within Personnel Policies for Staff Members can be found in [Personnel Policies for Staff Members 2 \(Definition of Terms\)](#).

Detailed information about common terms used within the Academic Personnel Manual (APM) can be found in [Academic Personnel Definitions \(APM-110\)](#).

Supplement to Military Pay: Compensation paid to a University employee who has been called to active military duty in support of an ongoing military mobilization campaign. The Supplement to Military Pay is the difference between an employee's University pay and active military duty pay.

III. POLICY TEXT

A. Eligibility

All employees who, as members of the National Guard, the Armed Forces, the commissioned corps of the Public Health Service, or any other category designated by the President, are serving on active military duty in support of an ongoing overseas military mobilization campaign are eligible for supplements to their military pay.

For purposes of this policy, "employee" is meant to include individuals who hold an academic, career, limited, floater, casual-restricted, contract, or per diem appointment, regardless of the percentage of time worked.

B. Components of an Employee's Supplement to Military Pay

An employee's Supplement to Military Pay will depend on the components of the employee's current University compensation as discussed below.

- 1. Health Sciences Compensation Plan:** The University pay of employees compensated under the [Health Sciences Compensation Plan](#) is both the base salary and the negotiated compensation (exclusive of incentive payments) in effect and paid through the University payroll when military leave commences, plus faculty recruitment allowance, if applicable.
- 2. Staff Physicians and Dentists Compensation Plan:** The University pay of employees compensated under the Staff Physicians and Dentists Compensation Plan is both the base salary and non-base salary (exclusive of incentive payments) in effect and paid through the University payroll when military leave commences.

3. All Other Employees:

- a) **Eligible Earnings:** The University pay of all other employees is the employee's regular base pay rate plus any of the following eligible earnings:
- shift differentials;
 - clinical nurse differentials;
 - non-base building pay for nurses;
 - police specialty pay;
 - stipends (department chair, etc.); and
 - faculty recruitment allowance.
- c) **Ineligible Earnings:** Ineligible earnings include the following:
- overtime;
 - uniform allowances;
 - UNEX BYA;
 - summer session salaries;
 - on-call pay;
 - honoraria;
 - incentive and performance awards;
 - non-elective deferred compensation
 - consulting fees;
 - pay for a position that is not normally full-time, except if paid on a salary or hourly rate basis;
 - housing allowance;
 - additional academic compensation, including summer and UNEX compensation; and
 - terminal vacation pay.
- d) **Range Adjustments, Merit Increases, and Promotion Increases:** The base pay rate will be adjusted for range adjustments, merit increases, and promotion increases that would have been granted had the employee not been ordered to active military duty.
- e) **Variable-Time Appointments:**
- **Staff:** The base pay rate of an employee with a variable-time appointment will be adjusted for the average hours on pay status during the three months prior to commencement of military leave, exclusive of hours attributed to overtime.
 - **Academic Appointees:** For academic appointees who report time on a variable basis, eligible earnings are an average of the appointee's eligible earnings for the three calendar months (for an appointee paid on a monthly basis) or six pay periods (for an appointee paid on a bi-weekly basis) immediately prior to the period in which the military leave

begins, excluding periods with approved leave without pay. If the consecutive three months or six bi-weekly pay periods immediately preceding the beginning of the military leave cannot be used due to approved leave without pay, the look-back period may be extended up to, but no longer than, one year prior to the beginning of the leave, using the most recent applicable pay periods not to exceed the term of the appointment.

- f) ***Irregular-Shift Assignments:*** The shift differential component of the gross University pay of employees who are not assigned to the same shift on a regular basis will be calculated by taking an average of the shift differentials paid over the three months prior to commencement of military leave.

C. Duration

Supplement to Military Pay, as defined in this policy, will begin on the first day of unpaid military leave. The Supplement to Military Pay will extend for a period not to exceed the employee's tour of active duty, or until the separation date of an employee's University appointment, whichever comes first.

A University employee who has a separation date due to budgetary restrictions or an appointment end date may be reappointed in accordance with University policy and procedures. If such a reappointment occurs during the employee's active military duty, the employee's Supplement to Military Pay will continue into the subsequent appointment until the end of the active duty.

Benefits provided under the policy are subject to a two-year lifetime limit, retroactive to December 14, 2001 (the policy's original start date).

D. Benefits

1. Health and Welfare Benefits

An employee receiving a Supplement to Military Pay will be considered to be on pay status. To determine the circumstances in which employees can continue health and welfare benefits while receiving a Supplement to Military Pay, please refer to the Group Insurance Regulations (GIR) under Military Leave for further information.

If an employee is enrolled in TRICARE military medical coverage during the employee's tour of active military duty and the employee continues coverage in a UC medical plan, TRICARE becomes the primary insurer with regard to the employee's medical coverage, while eligible family members' primary coverage will continue to be through the University plan.

Active military duty is considered employment, and some UC-sponsored health and welfare benefits exclude coverage of employment-related injuries or illnesses. In addition, some plans have coverage exclusions for injuries or

illnesses that occur due to combat or acts of war. See the applicable Plan Documents for more detail.

If an employee is separated from University employment while on a tour of active military duty, the employee's coverage will cease at the end of the month in which the separation occurs. An employee may opt to continue health and welfare benefits through COBRA, conversion, or porting, as applicable. Please refer to the GIRs for detail.

An employee not eligible for the Supplement to Military Pay, because their military pay exceeds their University pay, may elect to use accrued vacation, PTO and/or compensatory time off (CTO), in order for the University to continue to pay the University's contribution to their health plan premiums through the employee's tour of active duty, or until the separation date of an employee's University appointment, whichever comes first. Benefits provided under the policy are subject to a two-year limit, retroactive to December 14, 2001.

2. Retirement Benefits

Any applicable University and employee contributions to the University of California Retirement System plans, including the [University of California Retirement Plan \(UCRP\)](#), the [Defined Contribution Plan \(DC Plan\)](#), the [Tax-Deferred Plan \(403\(b\) Plan\)](#), and the [457\(b\) Deferred Compensation Plan \(457\(b\) Plan\)](#) will continue for eligible employees in accordance with the plan provisions while a paycheck is received and will stop with the employee's last paycheck. Employee contributions during the military leave will be based on the Supplement to Military Pay amount and any employee elections as applicable.

An employee on military leave may suspend 403(b) Plan loan repayments for the period of military leave as provided under the [Uniformed Services Employment and Reemployment Rights Act \(USERRA\)](#) and the 403(b) Plan provisions.

Retirement service credit (UCRP and Savings Choice service credit) will be earned in accordance with the [University of California Retirement Plan \(UCRP\)](#) and DC Plan provisions for the period of military service and for a period following military service, provided that the employee returns to University employment following the leave or notifies the University in writing of the employee's intent to return to work in accordance with any applicable reemployment rights.

If the employee returns to University employment, the employee may be eligible to make up contributions to the DC Plan, the 403(b) Plan, and/or the 457(b) Deferred Compensation Plan that were missed due to the period of military leave, in accordance with USERRA and applicable plan provisions.

E. Special Situations

1. **Leaves With and Without Pay:** Employees who received orders to report for active military duty while on an approved leave, with or without pay (e.g., sabbatical, personal, or research leave), will, for the purpose of calculating the Supplement to Military Pay, be returned to their regular status.
2. **Temporary Reductions in Time:** Employees who received orders to report for active military duty while on a temporary reduction in time will, for the purpose of calculating the Supplement to Military Pay payments, be returned to their regular status at the expiration date of such temporary reduction in time. The employee's department or applicable unit will be responsible for adjusting the Supplement to Military Pay payments at such expiration date.
3. **Temporary Layoffs:** Employees who received orders to report to active military duty while on a temporary layoff will, for the purpose of calculating the Supplement to Military Pay payments, be returned to their regular status at the expiration date of the temporary layoff. The employee's department or applicable unit will be responsible for submitting the documentation required to initiate the Supplement to Military Pay payments at such expiration date. The Supplement to Military Pay payments should begin at the expiration date of the temporary layoff.
4. **Indefinite Layoffs:** Employees who received orders to report to active military duty while on an indefinite layoff are not eligible for Supplement to Military Pay payments.
5. **Partial Year Career Employees:** Military pay will not be supplemented during the months when employees are on furlough unless such employees have elected to spread their paychecks over 12 months. Periods of time spent on unpaid furlough will not be included in the calculation of the Supplement to Military Pay payments.

The employee's department or applicable unit will be responsible for terminating the Supplement to Military Pay payments when such employee would normally go on unpaid furlough and for reinstating the Supplement to Military Pay payments when such employee would normally return to pay status.

IV. COMPLIANCE / RESPONSIBILITIES

A. Implementation of the Policy

Executive Officers (the University President, Chancellors, Lawrence Berkeley National Laboratory Director, or Vice President of Agriculture and Natural Resources) and their designees will develop procedures and supplementary information to support implementation of this policy. Responsible Officers (Vice Provost – Academic Personnel and Programs and Vice President – Systemwide

Human Resources) may interpret and clarify the policy. All substantive policy changes are made through the standard process for Presidential policy.

Exceptions to local procedures required by the policy must be approved by the Executive Officer or designee.

B. Revisions to the Policy

The President approves this policy and any revisions upon recommendation by the Responsible Officers. The Vice Provost – Academic Personnel and Programs and the Vice President – Systemwide Human Resources have the authority to initiate revisions to the policy, consistent with approval authorities and applicable Bylaws and Standing Orders of the Regents.

The UC Provost and Executive Vice President for Academic Affairs and the Executive Vice President – Chief Operating Officer have the authority to ensure that the policy is regularly reviewed, updated, and consistent with other governance policies.

C. Approval of Actions

Actions within this policy must be approved according to local procedures. Actions related to Senior Management Group employees must be approved by the President.

D. Compliance with the Policy

The Executive Officer at each location will designate the local management office that is responsible for monitoring, enforcing, and reporting policy compliance. The Senior Vice President and Chief Compliance and Audit Officer will periodically audit and monitor compliance with the policy.

E. Noncompliance with the Policy

Noncompliance with this policy may result in remediation, educational efforts, and/or employment consequences up to and including informal counseling, adverse performance evaluations, corrective action/discipline, and termination.

For policy-covered staff employees, corrective action/discipline is governed by Personnel Policies for Staff Members [62 \(Corrective Action\)](#), [63 \(Investigatory Leave\)](#), and [64 \(Termination and Job Abandonment\)](#); [Personnel Policies for Staff Members-II 64 \(Termination of Appointment\)](#), which applies to Senior Management Group (SMG) employees; and as applicable, other policies and procedures.

For academic personnel, formal corrective action/discipline is governed by [APM - 015 \(The Faculty Code of Conduct\)](#); [APM - 016 \(University Policy on Faculty Conduct and the Administration of Discipline\)](#); [APM - 150 \(Non-Senate Academic Appointees/Corrective Action and Dismissal\)](#) and as applicable, other policies and procedures.

For represented employees, formal corrective action/discipline is governed by collective bargaining agreements, and as applicable, other policies and procedures.

V. PROCEDURES

The steps an employee must take to initiate the Supplement to Military Pay are explained below. Employees should contact their local Academic Personnel or Human Resources Office for additional information. At some locations, the responsibilities of the employee's department may be handled by a central unit.

A. Documentation Required to Initiate Supplement to Military Pay Payments

1. **Supplement to Military Pay Worksheet:** The employee's department and the employee, or the person who holds the power of attorney on behalf of the employee, are responsible for completing the [Supplement to Military Pay Worksheet](#). The purpose of the worksheet is to calculate the gross Supplement to Military Pay and to obtain acknowledgement from the employee that any overpayments will be returned to the University.
2. **Leave of Absence Request:** Military leaves of absence and supplements to military pay should be requested in accordance with the local procedure pertaining to leave of absence requests.
3. **Leave and Earnings Statement:** The employee, or the person who holds the power of attorney on behalf of the employee, will be responsible for documenting/estimating the military pay. If available, a Leave and Earnings Statement (LES) will be used to determine the gross monthly military pay. If an LES is not available, the gross military pay may be estimated.
4. **Power of Attorney:** If an employee has designated a power of attorney, documentation of such power of attorney will be submitted along with the completed worksheet.
5. **Cancelling Coverage for All Health & Welfare Benefits:** Employees may enroll in, change, cancel or opt out of health and welfare benefits through UCPath.
6. **Payroll Earnings Distribution Authorization:** Employees may change their disposition of pay through UCPath.

B. Initiating the Supplement to Military Pay

1. **If the Employee Has Not Yet Reported To Active Military Duty:** The employee's department and the employee (or the person who holds the power of attorney on behalf of the employee) are responsible for providing and/or completing the relevant forms.
2. **If the Employee Has Reported To Active Military Duty and Not Returned:** The employee's department will attempt to contact and inform the employee on military leave (or the person who holds the power of attorney on behalf of the

employee) of the Supplement to Military Pay and the procedures required to initiate the Supplement to Military Pay payments.

The Supplement to Military Pay payments will not be issued without the signature of the employee, or the person who holds the power of attorney on behalf of the employee, on the [Supplement to Military Pay Worksheet](#). If a department is unable to obtain a completed worksheet and LES from an employee, or the person who holds the power of attorney on behalf of the employee, the Supplement to Military Pay payment will be calculated and issued upon the employee's return to work.

3. **If the Employee Has Returned From Active Military Duty:** The employee will submit copies of all LES covering the period of time in which the employee was eligible for Supplement to Military Pay payments. The employee's department will be responsible for calculating the total gross Supplement to Military Pay payment and submitting the required paperwork in accordance with established location procedures.

C. Issuing Payments

1. **Retroactive Payments:** The employee's department will be responsible for submitting all retroactive paperwork. If an employee is eligible for future Supplement to Military Pay payments, the department will complete the relevant equivalent document(s) based upon the most recent worksheet and LES obtained from the employee, or the person who holds the power of attorney on behalf of the employee.
2. **Pro-Rated Payments:** The employee's department will be responsible for pro-rating Supplement to Military Pay payments that do not cover a full pay period for employees covered by positive time reporting.
3. **Extensions and Multiple Military Leaves:** The employee's department will be responsible for ensuring that Supplement to Military Pay payments for employees with extensions of their original orders or with multiple military leaves are consistent with these guidelines.
4. **Deductions:**
 - a) **Mandatory Deductions:** Supplemental payments will be subject to Federal income tax, State income tax, OASDI, and Medicare. Garnishments/Earnings Withholding Orders for Support, if applicable, will be withheld as well as any mandatory retirement plan contributions.
 - b) **Voluntary Deductions:** Voluntary deductions will continue to be withheld unless cancelled by submittal of the appropriate cancellation forms.
 - c) **Employer Contributions:** Departments are responsible for University contributions.
5. **Issuance:** Supplement to Military Pay payments will be issued during the military leave as part of the normal payroll cycle for each affected employee,

except for retroactive payments. The Supplement to Military Pay will be distributed to the disposition selected by the employee.

6. **Terminating Supplement to Military Pay Payments:** The employee's department will be responsible for ensuring that, upon expiration of the Supplement to Military Pay payments, the employee's status is correctly reflected on the relevant document(s).

D. Reconciliation

1. **Reinstatement:** When an employee returns to work from active military duty, the employee will submit an LES for each month for which the Supplement to Military Pay was earned or received. The employee's department will be responsible for reconciling actual Supplement to Military Pay payments with all LES. Any overpayments or underpayments will be adjusted in accordance with established location payroll procedures.
2. **Benefits:** Employees returning from military leave have a 31-day period of initial eligibility to reenroll in coverages which lapsed or were cancelled during the extended military leave. The period begins with the date of return to pay status.
3. **Retirement Service Credit:** Covered compensation and retirement service credit (UCRP and Savings Choice credit) earned during an extended military leave will be manually adjusted when the employee returns to pay status by submitting a copy of the Leave of Absence History or equivalent and copies of the employee's military orders to the Retirement Administration Service Center.
4. **University Contributions:** University contributions to the Retirement Savings Program that would have been earned during an extended military leave will be manually adjusted upon notice of the employee's return to pay status.
5. **Employees Who Do Not Return to University Service:** Employees who elect to terminate their University appointment will be responsible for contacting their former departments to initiate reconciliation between their estimated and actual military earnings. Employees who have been underpaid will receive the balance due. Overpayments will be repaid to the University.

Overpayments will be forgiven if an employee is killed or is disabled to the extent that such employee cannot return to University employment.

VI. RELATED INFORMATION

- [*Consolidated Omnibus Budget Reconciliation Act of 1985 \(COBRA\)*](#)
- [*Legal Plan Insurance*](#)
- [*Supplemental Life Insurance*](#)
- [*Homeowner/Rental/Auto Insurance*](#)

- [Basic Disability, Voluntary Short-Term Disability Insurance, and Voluntary Long-Term Disability Insurance](#)
- [Health Flexible Spending Account \(Health FSA\)](#)
- [Dependent Care Flexible Spending Account \(DepCare FSA\)](#)
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