Biweekly Pay Transition Non-Exempts

On January 20, 2013, Berkeley's non-exempt employees* will be paid on a biweekly pay cycle. Berkeley’s transition to a biweekly pay cycle is to comply with recent decisions at the UC Office of the President to implement a single payroll system across all ten campuses and five medical centers. In addition, standardizing pay cycles prepares Berkeley for the move of timekeeping processes to Campus Shared Services, improving the quality and efficiency.

* Inclusion of employees in positions covered by collective bargaining agreements is subject to collective bargaining requirements.

Who will convert to Biweekly Pay?  
Non-exempt Employees  
• Employees currently paid on the 1st, 8th, and/or 23rd  
• Eligible for overtime, shift, and on-call pay  
• Report time worked as well as sick, vacation, comp-time, and other leave to the nearest quarter hour.

Others Impacted by this change  
Exempt employees, Currently paid on the 8th of the month, Not eligible for overtime, Reports leave in whole day increments  
Will be converted to a monthly cycle and be paid on the 1st of the month

Benjamin of a Biweekly Pay Cycle  
* Pay cycles will be standardized across the UC system  
* Employees will receive overtime pay more frequently  
* Employees will be paid every other week  
* Will eliminate the need for timekeepers to project employee time each pay period

Deduction Holidays  
There are two times a year when flat dollar deductions are not deducted from your paycheck. These paydays are referred to as deduction holidays

A deduction holiday occurs when three biweekly pay period end dates fall within the same month

The deduction holidays in 2013 will be April 10th and September 11th. They can be identified on the Biweekly payroll calendar by the bold black square surrounding the date. The biweekly payroll calendar is available at http://controller.berkeley.edu/payroll/biweekly/documents/UCBBiweeklyPayrollCalendar2013.pdf

Non Exempt Employee View  
* Will be paid more frequently  
* Will consistently have an 80 hour pay period  
* Will pay ½ my monthly benefit premium on the first two checks of the month (See Benefits Deduction Paragraph for some of deductions)  
* Will receive overtime more timely  
* If I am currently receiving a monthly pay rate, I will be converted to an hourly pay rate  
* Will report time more frequently  
* Will receive vacation accrual based on a factor accrual rate which means that my vacation accrual will vary each month

Benefits Deductions  
Health and welfare deductions will be split between the first two biweekly checks in the month (1/2 on each biweekly check). In months where there is a 3rd biweekly check, no benefits will be deducted

Fixed flat amount deductions such as parking, insurance, union dues, etc. will be deducted from the first 2 paychecks each month. Therefore, in the 2 months following a month with three payperiod end dates, the paychecks will have no flat benefit/deductions taken

Percentage amount deductions such as 403(b) and 457(b) plans, garnishments, etc. will be deducted from every biweekly paycheck

FINANCIAL PREPARATION  
What should an employee do to prepare for the change?

• Start early and plan ahead  
• Review your personal budget situation and determine your income needs based on the new Biweekly pay schedule.  
• Review your current tax withholding elections and make any necessary changes especially additional tax withholding amounts.  
• Request that creditors/lenders/financial institutions adjust your automatic withdrawal or bill-pay dates to align with your new pay schedule.

Transition Assistance Program  
• Employees that meet certain eligibility requirements (see criteria below) will have the option of a no interest loan and/or vacation/comp time accrual cash out
  • Loan: minimum of $100 and a maximum of $1000
  • Vacation/Comp Time Payout: Up to 80 hours. (Taxable at regular tax rate)
• Application forms must be submitted during the program request period (11/5/12-12/7/12)
• Human Resources will review and approve applications
• Central Payroll will pay loan and/or vacation/comp time on January 16, 2013.

Planning your Transition  
• Contact financial institutions, lenders, banks, etc. and request to:
  • Move bill due dates to later in the month  
  • Pay half in early February and half in later February
  • Use the Biweekly pay calculator located on the UCB Payroll website to assist you in estimating what your biweekly pay will be
• Consider the Transition Assistance Program:
  • No-interest loan (min of $100 up to a max of $1,000) and/or
  • Cash out of up to 80 hours of leave from accrued vacation time and/or accrued comp time.
### VACATION/COMP TIME PAYOUT

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<th>Description</th>
<th>Cash out from employee’s existing accrued vacation and/or compensatory time</th>
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| Who is Eligible? | Any non-exempt career, contract, limited and per diem employee converting to biweekly and meets the following criteria:  
- Employee appointment ≥ 50%  
- Employment status of “Active”  
- Hired prior to 11/12  
- Employee has existing accrued vacation/comp time |
| How much | Up to 80 hours (hours are subject to verification of actual vacation/comp time employee has accrued) |
| Program Request Period | 11/5/12-12/7/12 |
| Terms of Participation | Maximum of one request per eligible employee for a no interest loan and/or vacation/comp time cash out during the program request period |
| Process | Employee must complete, sign and submit the Transition Assistance Program application to Human Resources by close of business day on 12/7/12. |
| Disbursement Schedule | Vacation/comp time accrual cash-out will be paid on January 16, 2013. |
| Method of Disbursement | Payment will be made by Central Payroll via employees current payment option, e.g., direct deposit or paper check |

### NO INTEREST LOAN

| Description | Short-term, no interest loan from the University through a newly created Transition Assistance Program |
| Who is Eligible? | Any non-exempt career, contract, limited and per diem employee converting to biweekly and meets the following criteria:  
- Employee appointment ≥ 50%  
- Employment status of “Active”  
- No known separation by 8/31/13 - Hired prior to 11/12 |
| How much | Minimum: $100  
Maximum: $1,000 |
| Program Request Period | 11/5/12-12/7/12 |
| Terms of Participation | Maximum of one request per eligible employee for a no interest loan and/or vacation/comp time cash out during the program request period |
| Process | Employee must complete, sign and submit the Transition Assistance Program application to Human Resources by close of business day on 12/7/12. |
| Disbursement Schedule | Target disbursement date will be January 16, 2013. |
| Terms of Repayment |  
- Via payroll deduction  
- First installment repayment will be deducted from 3/1/13 biweekly pay  
- Paid in equal installments per biweekly pay cycle. Entire loan balance must be repaid by 8/31/13 (12th biweekly pay day starting with the March 13th pay date). This deduction is not taken on the payday corresponding to a third biweekly pay period end date in a month, aka “deduction holiday.”  
- Repayment formula: Loan amount/12 biweekly pay cycles = amount per biweekly pay day |
| Method of Disbursement | Paid on employees first biweekly check scheduled for 1/16/13  
Must follow employee’s current payment option, e.g., direct deposit or paper check |

#### Additional Questions?

Please review the frequently asked questions and biweekly toolkit by visiting the Central Payroll website at: http://controller.berkeley.edu/payroll/biweekly/index.htm  
You may also email biweekly@lists.berkeley.edu  
RES PAYROLL AT respayroll@berkeley.edu  
For time reporting questions, please visit: http://caltime.berkeley.edu/  
You may also email caltimehelp@berkeley.edu