

**FUNDING STAFF SALARY ACTIONS FOR
BUDGETED POSITIONS ON CENTRAL FUNDS
-EVCP CENTRAL AND SMALL UNITS¹-**

(Hires, Promotions, Reclassifications, Equity Increases, Position Maintenance in Budget System)

**INTERIM PROGRAM
December 1, 2001 through June 30, 2002**

Questions and Answers

- Q** How does the interim program differ from the Salary Decentralization Program starting in July 2002?
- A** For the interim program from now until July 1, 2002, the central campus will fund salaries for hires up to the midpoint and units/control units will need to fund any salary increment that exceeds the midpoint or step 3. In addition, units/control units will need to fund the full cost of reclassification increases and equity adjustments. Effective July 1, 2002, the salary budget will be decentralized and the resources to fund these increases will be held within control units rather than by the central campus.
- Q** Does this funding policy apply to all positions on all fund sources?
- A** Only budgeted positions on central funds (19900, 07427, 20000, 20095, & 69750) have been eligible for central campus funding. Increases for positions paid on all other funds have always been self-funded. However, departments will be expected to treat employees equitably regardless of funding source.
- Q** Since central funds will not be provided for these personnel actions, how can they be funded?
- A** Funding for these salary increases must come from unit or control unit fund sources.
- Q** Are central funds available to fund hires during the interim period prior to July 1, 2002?
- A** Central funds will cover salaries for new hires, promotions and lateral transfers up to the midpoint for open range positions, and up to step 3 for step-based positions. If starting salaries are above those levels, the difference in funds must come from unit or control unit fund sources.
- Q** If my unit establishes a new position in the Position Resource Tracking (PRT) system, at what level do we need to fund it?
- A** Positions should be established at the provision level (25% of the range or step 1). Central funds will cover any salary difference up to the midpoint of the range or step 3 at the time you either hire an incumbent or link an existing employee to the provision.

¹ Includes all units that report to the Vice Provosts, School of Optometry, School of Information Management & Systems (SIMS), School of Social Welfare, Graduate School of Public Policy, School of Journalism, Academic Senate and Budget Committee, Cal Performances, Berkeley Art Museum and Pacific Film Archive (BAM/PFA), Center for Race and Gender, Center for Studies in Higher Education (CSHE).

Q If a unit wants to link an open provision in the Position Resource Tracking (PRT) system to an existing employee during the interim program, will it need to fund the difference between the provision level and the employee's salary?

A If a unit links an employee whose salary exceeds the provision value, central funds will cover any salary difference up to the midpoint of the range or step 3. The unit or control unit will need to fund any salary increment that exceeds the midpoint or step 3.

Q If a department unlinks an employee from a position in order to do a chartfield change or other Position Resource Tracking (PRT) maintenance function, will the unit be required to provide the funding for the employee above the midpoint or step 3 when it relinks them to the position?

A If unlinking and relinking to do maintenance on the position results in no net change in the value of the position, the department will not be required to fund the position if the value is above the midpoint or step 3. The Budget Office will be monitoring this PRT maintenance activity and if there is any net change in the value of a position that sets the new value above midpoint or step 3, the unit or control unit will be asked to fund the difference.

Q If a department puts money into funding a salary increase or an above midpoint hire, will the central campus provide permanent funding to upgrade the position in July 2002?

A No. Units will need to fund the increase both in-year and on a permanent basis using permanent funding. As noted above, the salary budget will be decentralized effective July 2002 and the central campus will thereafter no longer manage the funding pool for salary increases.

Q Is the permanent budget different than the appropriations shown on the BAIRS reports?

A Yes. The appropriations on your BAIRS GL and Tempbud reports include the July 1 Adjusted budget appropriations, temporary appropriations, and reappropriated balances and carry forward balances from previous fiscal years. While the July 1 Adjusted budget entries represent your permanent budget balances at the beginning of each year, the permanent budget (PERMBUDG) is managed separately. Run the Permbudg Balance and the Position Balance reports in BAIRS to see your permanent budget balances. If you have any questions about the permanent budget, you should contact the budget analyst for your department, school, division or control unit. Your Budget Office analyst can be found at (<http://www.chance.berkeley.edu:80/budget/CONTACT%20LIST.htm>).

Q Do we have to reduce the number of reclassification requests?

A The number of reclassifications does not necessarily have to be reduced. Positions should continue to be classified based upon assigned duties and responsibilities. However, salary increases resulting from those reclassifications will no longer be covered by central funds.

Q Do we have to reduce the number of equity increases?

A With the decentralization of the salary budget, central funds for equity increases are no longer available. Units or control units must pay for equity increases approved by the Office of Human Resources out of their permanent salary budget or other permanent fund sources.

Q Who approves reclassifications?

A Approval authority has not changed. The Office of Human Resources still approves reclassifications.

- Q** What if I have duties that need to be assigned to an employee that may result in a higher classification level, but I have no permanent funding to pay for a reclassification?
- A** Consider redistributing work assignments within your unit so that the higher-level duties are given to an employee already at the same or higher classification level. If the duties would not be a permanent assignment and you have some temporary funding, you could consider temporary assignment of the work and request approval from the Office of Human Resources to provide a stipend or a temporary reclassification to the employee.
- Q** If an employee's position is reclassified to a position with a salary range that has a higher starting salary than the previous position and there are no funds available, does that mean the employee may not get a salary increase?
- A** There is no requirement that a salary increase accompany a reclassification, except for two situations. (1) When an employee's position has been reclassified, the resulting salary must be at least at the minimum of the new salary range. (2) Some bargaining agreements require a specific salary increase upon reclassification. The provisions of these agreements will be observed.
- Q** How do the interim funding policies impact salary-setting authorities?
- A** All salary-setting for centrally-funded employees in EVCP central and small units must be approved by Executive Vice Chancellor Gray. This includes below midpoint salary decisions that were previously delegated. All salary requests should be emailed to Jeanene Greer (jgreer@uclink4). Please note that this practice applies only to employees paid on the following funds: 19900, 20000, 20095, 07427, 69750.

ADDITIONAL QUESTIONS RELATED TO SALARY BUDGET DECENTRALIZATION July 1, 2002 forward

- Q** Why is the salary budget being decentralized?
- A** The Compensation Advisory Committee recommended that management authority for compensation and the salary budget be delegated to the lowest reasonable level of the organization. This is initially being delegated to the Vice Chancellors and may be further delegated in some units. Ultimately, this provides units with the greatest flexibility in managing their resources.
- Q** What does decentralization of the salary budget mean? What resources are being decentralized?
- A** When budgeted positions on central funds are vacated, funding for the difference between the incumbent's salary and the position provision level (25% of the range or step 1) returns to the upgrading/downgrading pool to fund other salary actions. This funding will now be managed by each Vice Chancellor or by their delegated units.
- Q** How will this change the way positions are funded for my unit?
- A** Permanent budget for staff positions and provisions will remain in units. However, changes to the value of your positions (upgrading and downgrading funds) will be funded through a turnover pool managed through the Vice Chancellor's office. As new employees are hired

into budgeted positions, the funding to upgrade the position from the provision level (25% of the range or step 1) will come from this pool. Similarly, when a position is vacated, the difference between the incumbent's salary and the provision level will return to the pool to fund salary actions for other employees.

Q Is funding for benefits also being decentralized?

A No. Benefits funding for centrally funded positions will continue to be provided and administered by the campus.

Q How does the decentralized salary budget impact salary-setting authorities?

A All salary-setting for centrally-funded employees in EVCP central and small units must be approved by Executive Vice Chancellor Gray. This includes below midpoint salary decisions that were previously delegated. All salary requests should be emailed to Jeanene Greer (jgreer@uclink4). Please note that this practice applies only to employees paid on the following funds: 19900, 20000, 20095, 07427, 69750.

Q Where can I get more information about salary funding?

A Please contact Jeanene Greer (3-0236) or the Campus Budget Office Analyst for your unit if you have any questions regarding salary funding. See the HR web site (<http://hrweb.berkeley.edu>) for information about compensation, personnel policies, and bargaining agreement provisions.