

Voluntary Reduction Request Form – Exempt Employees

Assignments may not be reduced to less than 9 months or less than 50% full-time equivalent (FTE)

Name: _____

Position Title: _____

Employee ID: _____

PCN: _____

I voluntarily request and consent to the reduction of my employment at the University of Alaska

☐ for FY16 only (July 1, 2015 through June 30, 2016) or

☐ for three years: FY16-FY 18 (July 1, 2015-June 30, 2018)

as follows:

- Work reduced hours each pay period:
 - ☐ 75 hours per pay period (6.25% reduction or 93.75% FTE)
 - ☐ 70 hours per pay period (12.5% reduction or 87.5% FTE)
 - ☐ 64 hours per pay period (20% reduction or 80% FTE)
 - ☐ 60 hours per pay period (25% reduction or 75% FTE)

Proposed schedule: _____

(may not exceed 40 hours per week)

- Reduced-year contract:
 - ☐ 11 month contract*
 - ☐ 10 month contract*
 - ☐ 9 month contract*

Proposed schedule: _____

- Additional days off:
 - ☐ 21 days off (8% reduction in pay)*
 - ☐ 15.75 days off (6% reduction in pay)*
 - ☐ 10.50 days off (4% reduction in pay)*
 - ☐ 5.25 days off (2% reduction in pay)

Proposed days off: _____

*I understand that if I am contributing to the PERS retirement system, **my PERS service credit will be reduced** if I work a schedule of less than 30 hours per week or if I have more than 10 days of intermittent or continuous leave without pay (LWOP) during a calendar year, including any time off contract.

I have read and understand the document, Benefit Considerations for Reducing Contract Length or FTE, and understand the implications this reduction will have on my retirement benefits.

I also understand that by reducing my pay, my retirement contributions will be reduced, my University leave accrual and holiday pay will be prorated and that annual leave remains subject to a maximum accrual of 240 hours. *(Please see attached matrix that outlines benefit and pay impacts in reducing FTE and/or contract.)*

I understand that, except for reduced-year contracts (9, 10 or 11 month), my biweekly salary will be reduced by the percentage indicated above in each of 26 pay periods during the fiscal year, regardless of when I take this time off. I understand that I will not receive extra compensation if I work additional hours or days and that “days off” will not carry forward to another fiscal year.

If I agree to work a reduced-year contract, I will not receive any pay while I am off-contract. My payroll deductions for health coverage and other benefits will be made during 19 pay periods per year and therefore the biweekly rate will increase.

I understand that if there is a furlough in my unit, this voluntary reduction time will be subtracted from the required number of furlough days. I will not be required to take more unpaid furlough days than I would have without this voluntary reduction. I understand that this voluntary reduction does not otherwise protect me from furlough, layoff, or other personnel action. Unless other changes are made to my employment contract in the meantime, my schedule will revert to my FY15 schedule at the end of the time period indicated above.

I understand that if approved, my appointment letter will reflect my voluntary reduction in the employment contract and that approval of any subsequent changes is in the university's sole discretion.

Employee Signature

Date

Human Resources Office

Date

I approve the above reduction in hours and effort:

Supervisor Signature

Date

cc: Personnel File

Voluntary Reduction Request Form – Non-Exempt Employees

Assignments may not be reduced to less than 9 months or less than 50% full-time equivalent (FTE)

Name: _____

Position Title: _____

Employee ID: _____

PCN: _____

I voluntarily request and consent to the reduction of my employment at the University of Alaska

- ☐ for FY16 only (July 1, 2015 through June 30, 2016) or
- ☐ for three years: FY16-FY 18 (July 1, 2015-June 30, 2018)

as follows:

- Work reduced hours each pay period:
 - ☐ 75 hours per pay period (6.25% reduction or 93.75% FTE)
 - ☐ 70 hours per pay period (12.5% reduction or 87.5% FTE)
 - ☐ 64 hours per pay period (20% reduction or 80% FTE)
 - ☐ 60 hours per pay period (25% reduction or 75% FTE)

Proposed schedule: _____
(may not exceed 40 hours per week)

- Reduced-year contract:
 - ☐ 11 month contract*
 - ☐ 10 month contract*
 - ☐ 9 month contract*

Proposed schedule: _____

- Additional days off (LWOP):
 - ☐ 21 days off (8% reduction)*
 - ☐ 15.75 days off (6% reduction)*
 - ☐ 10.50 days off (4% reduction)*
 - ☐ 5.25 days off (2% reduction)

Proposed days off: _____
(may not exceed 5 days per pay period)

*I understand that if I am contributing to the PERS retirement system, **my PERS service credit will be reduced** if I work a schedule of less than 30 hours per week or if I have more than 10 days of intermittent or continuous leave without pay (LWOP) during a calendar year, including any time off contract.

I have read and understand the document, Benefit Considerations for Reducing Contract Length or FTE, and understand the implications this reduction will have on my retirement benefits.

I also understand that by reducing my pay, my retirement contributions will be reduced, my University leave accrual and holiday pay will be prorated, and annual leave remains subject to a maximum accrual of 240 hours. *(Please see attached matrix that outlines benefit and pay impacts in reducing FTE and/or contract.)*

I understand that my hourly pay will remain the same, that the number of hours that I work during the fiscal year will be reduced, and that I will be on LWOP on the days that I take this time off. If I have no earnings during any pay period, I consent to the University withholding from my future pay the usual deductions for health care and other benefits for the pay period(s) of LWOP.

If I agree to work a reduced-year contract, my payroll deductions for health coverage and other benefits will be made during 19 pay periods per year and therefore the biweekly rate will increase.

I understand that if there is a furlough in my unit, this voluntary reduction time will be subtracted from the required number of furlough days. I will not be required to take more unpaid furlough days than I would have without this voluntary reduction. I understand that this voluntary reduction does not otherwise protect me from furlough, layoff, or other personnel action. Unless other changes are made to my employment contract in the meantime, my schedule will revert to my FY15 schedule at the end of the time period indicated above.

I understand that if approved, my appointment letter will reflect my voluntary reduction in the employment contract and that approval of any subsequent changes is in the university's sole discretion.

Employee Signature

Date

Human Resources Office

Date

I approve the above reduction in hours and effort:

Supervisor Signature

Date

cc: Personnel File

Benefit Considerations for Contract Reduction or Reduced FTE

ACTION/Applicable to	Option/Action Needed	Impacts to Benefits and Pay
FTE REDUCTION Staff (APT/Exempt & Classified) Officers Senior Administrators	<p>Effort is reduced over course of 12 months.</p> <p>Job form required to reduce FTE of 80 hours (e.g., 90%, 80%, 75%)</p>	<p>Benefit deductions stay on 26-pay schedule if employee is 12 month.</p> <p>Schedule of 30 hours per week (.75 FTE) is the minimum to maintain full time service credit with PERS.</p> <p>20 hours per week (.5 FTE) is the minimum required to maintain benefit eligibility at UA.</p> <p>Pay, sick and annual leave accrual, PERS salary credit and ORP and UA Pension plan contributions are all reduced correspondingly to FTE reduction.</p>
CONTRACT REDUCTION Staff (APT/Exempt & Classified) Officers Senior Adminstrators	<p>Reducing contract length from 12 months to shorter duration, minimum 9 months in fiscal year.</p> <p>Off contract period(s) are leave without pay (with benefits), requires job form to place off-and on-contract.</p>	<p>Benefit and other deductions must be changed to the 19-pay schedule to fully recover plan year goal amounts.</p> <p>ORP does not consider off contract periods for vesting purposes.</p> <p>PERS <i>service credit</i> will be reduced which will extend time needed to vest and reach service thresholds.</p> <p>PERS DB <i>salary credit</i> will be granted for months in active work status; only the months in active work status are used in calculation of high three or five years' salaries.</p> <p>Plan contributions (PERS DC, ORP, Pension, 403b) will be reduced (fewer pay periods for deductions/contributions).</p> <p>Employees in off contract status may not use annual or sick leave.</p> <p>Employees must be prepared for period of no income while in off contract status.</p>
OTHER ISSUES/CONCERNS	<p>Timely job forms to accurately reflect employee assignment and FTE are critical.</p> <p>Workload adjustments should correspond with contract or FTE reductions.</p>	<p>Reduction in FTE (reduced work week) may affect employees in PERS Tiers I, II or III (defined benefit, or PERS DB) who are in their three (Tiers I and II) or five (Tier III) consecutive high years.</p> <p>Reduced contracts might be better for these employees. Vested PERS employees who are within 5 years of retirement should consider the effects of a reduced contract or reduced FTE on their future benefits.</p> <p>Annual and sick leave accruals and retirement contributions to ORP and UA Pension will be reduced accordingly.</p>