SIDE LETTER AGREEMENT
Between
University of California San Diego &
Skilled Employees Trades Council United (SETCU)

Transition Assistance Programs For Non-Exempt Monthly and Semi-Monthly
Paid Employees Converting To Bi-Weekly Paid

Where it has not already done so, as part of the UC Path Project, the University of California, San Diego, is transitioning all non-exempt employees to bi-weekly paid on January 20, 2013. In addition to transitioning to a bi-weekly pay schedule, the University will implement the following additional changes: 1) standardizing the workweek to Sunday to Saturday; 2) splitting certain deductions between bi-weekly paychecks; and 3) standardizing the Leave Accrual from Table to Factor.

In an effort to minimize the financial hardships for impacted non-exempt monthly paid employees, the following two transition programs shall be offered for eligible employees who meet the requirements below:

**ELIGIBILITY REQUIREMENTS:** Any non-exempt employee, including probationary, limited and per diem employee, who is converting from monthly to bi-weekly who meets the following criteria is eligible:

1. Appointment of 50% or more at the time of their election;
2. UC employees must have been on the payroll as of November 1st, 2012.
3. No known separation date prior to August 18th, 2013.
4. Employment status of “active”

**1. INTEREST FREE LOAN:** Eligible employees have the option of securing up to a $1000.00 interest free loan.

1. Eligible employees may request any amount between the minimum $100.00 and the maximum $1,000.00 loan.
2. Repayment will be made via payroll deduction. The first installment will be March 2013. The loan must be repaid in equal installments per bi-weekly pay cycle. The entire loan balance must be repaid no later than the 12th bi-weekly day from the date of the first installment, or upon separation from employment, whichever occurs first.

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1. Except for Article 8 Section A.1, standardizing the workweek to Sunday to Saturday will not affect the remainder of Article 8 Hours of Work or Article 9 Overtime.
c. Upon separation from employment, any outstanding loan balance will be deducted from the employee's final paycheck. If the net amount of the employee's final earnings is sufficient to repay the loan, the employee will repay the remaining outstanding balance with a personal check.

d. There is no pre-payment penalty, should an employee wish to repay it back earlier.

2. VACATION CASH OUT: Eligible employees also have the option of cashing-out up to 80 hours (in whole hour increments) of accrued vacation as of the date of implementation of the program. If an eligible employee has a compensatory time off bank, such hours can also be used; however, under no circumstances can more than 80 hours be cashed out in connection with transition.

   Amount of Cash Out: Up to 80 hours of actual verified accrued vacation and or compensatory time off will be deducted from the employee’s balance(s) and paid to the employee between February 1, 2013 and February 15th, 2013.

3. PROGRAM REQUEST PERIOD: The time period within which an employee shall have the right to request the loan and/or vacation cash out shall consist of at least 30 consecutive days and shall conclude no later than January 15th, 2013. Employees may only submit one request during this time period.

4. DISBURSEMENT: Disbursement will be made between February 1st, 2013 and February 15th, 2013.

5._SPLIT DEDUCTIONS_: Flat-dollar deductions for bi-weekly paid employees will be split between the first bi-weekly payday of the month and the second bi-weekly payday of the month. For those months in which three (3) bi-weekly pay period end dates fall within the month, no flat dollar benefit deductions will be taken from the third pay check. However, percentage-based deductions will be taken from all payroll checks.

6. STATUS CHANGES: Employees electing transition assistance whose University appointment or status changes prior to the repayment of the loan amount or receipt of the selected vacation payout will be handled on a case-by-case basis. Notice of the proposed change and transition plan modification, if any, will be provided by the location to the Union when such status changes arise.

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