APPENDIX D

UNIVERSITY OF CALIFORNIA

OFFICE OF THE PRESIDENT

Robert J. Birgeneau
President

June 26, 2006

CHANCELLORS
LABORATORY DIRECTORS
MEDICAL CENTER DIRECTORS

Two-Year Renewal – Policy on Supplement to Military Pay

Dear Colleagues:

The University of California will continue to provide reasonable assistance to those University academic and staff personnel who are serving or active military duty in the Operation Enduring Freedom, Operation Noble Eagle, and Operation Iraqi Freedom campaigns, and any other campaigns in connection with the national state of emergency declared at the outbreak of the September 11, 2001 attacks. Employees who serve in such campaigns are eligible for benefits under the Policy on Supplement to Military Pay. All employees receiving either of these supplemental pay benefits and the employer health plan contributions are subject to a two-year lifetime limit on benefits retroactive to December 14, 2001, the policy’s original implementation date.

The Policy on Supplement to Military Pay provides eligible employees with supplemental payments equal to the difference between the employee’s University base pay and their military pay, and an equivalent contribution to the University health plan premiums (collectively, “benefits”). Some employees are not eligible for the supplemental pay benefit because their military pay exceeds their University wages. For those individuals who do not receive supplemental pay, the University will provide the employee-paid portion of the health plan premium when the employee continues to make the employee contribution. The Policy on Supplement to Military Pay, which was to expire June 30, 2006, has been extended through June 30, 2008.

Employees who are called to active military duty after July 1, 2006 will receive benefits under the policy until the end of the employee’s active military commitment or until June 30, 2008, whichever comes first. If an employee is not eligible for the supplemental payments because the military pay exceeds their University wages, the University will pay the UC contribution for those employees who continue to make the employee contribution to health plan coverage.