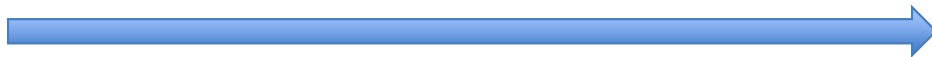




# Factor Leave Accruals

**Accruing Vacation and Sick Leave**



# Factor Leave Accruals

As part of the transition of non-exempt employees to biweekly pay, the UC Office of the President also requires standardization of how leave accruals are calculated across UC campuses.

Both Non-exempt and Exempt\* employees eligible to accrue leave will transition to factor leave accruals on November 1, 2014

\* All employees in Academic job titles will remain on the table leave accrual method

# Calculation

Factor leave accrual is a method of accruing vacation and sick leave. The factor accrual method uses a factor rate\* multiplied against the hours an employee is on pay status in order to calculate vacation and sick leave accruals.

$$\text{Factor Rate}^* \times \text{Hours on Pay Status} = \text{Amount of Accrued leave}$$

\*Standard Factor Rate table defined

# Eligibility

Eligibility requirements for leave accruals will continue to be based on union contracts and policy as is the practice today.

- Employee is assigned a leave code based on the number of years service and leave eligibility
- Leave accrued is determined by:
  - Number of hours an employee is on pay status (i.e. Regular time worked, vacation)
  - Leave accrual rate

# Factor Rate Table

**Current State:** The rate represents the exact amount a full time employee is eligible to accrue each month based on the leave code\*.

**Future state:** The rate represents the factor rate that must be multiplied against the hours the employee is on pay status to determine the amount of leave accrued.

LEAVE CODE	Current State: Current Table Method		Future State: Factor Accrual Method	
	VACATION	SICK LEAVE	VACATION	SICK LEAVE
A	10	8	0.057692	0.046154
B	12	8	0.069231	0.046154
C	14	8	0.080769	0.046154
D	16	8	0.092308	0.046154
E	16	0	0.092308	0
F	0	8	0	0.046154
G	10	8	0.057692	0.046154
H	12	8	0.069231	0.046154
J	14	8	0.080769	0.046154
K	16	8	0.092308	0.046154

# Exempts and Non-Exempts

Slight variation in factor accrual processing for Exempts and Non-Exempts

	Non-Exempt Employee	Exempt Employee
<b>Eligibility</b>	Eligibility to accrue and use leave is subject to union contract or personnel policy.	
<b>Period of Accrual</b>	quadra-weekly cycle (two biweekly pay cycles, 160 hour period)	Calendar Month (based on number of working hours in the calendar month)
<b>Calculation</b>	Factor rate X hours on pay status (during <u>two biweekly pay cycles, 160 hours</u> )	Factor Rate X hours on pay status during <u>calendar month</u>
<b>Factor Rate</b>	Factor rate is assigned based on employees number of years of service	
<b>Accrual Granted</b>	The business day following the close of the quadra-weekly cycle (two biweekly pay cycles)	1 <sup>st</sup> of the month following the close of the calendar month (monthly pay period)

# Exempt Employee Example

**Example: A full-time employee that accrues 10 hours of vacation and 8 hours of sick leave per month**

Example based on Vacation Factor rate = .057692 and sick leave factor rate = .046154)

Employee will accrue leave based on actual working hours in the calendar month. During the course of the year a full-time employee will accrue the same.

	CURRENT Table Method			FUTURE Factor Method		
	Hrs Per Month	VAC	SL	Hrs Per Month	VAC	SL
Jan	184	10	8	184	10.615328	8.492340
Feb	160	10	8	160	9.230720	7.384640
Mar	168	10	8	168	9.692256	7.753872
Apr	176	10	8	176	10.153792	8.123104
May	176	10	8	176	10.153792	8.123104
Jun	168	10	8	168	9.692256	7.753872
Jul	184	10	8	184	10.615328	8.492340
Aug	168	10	8	168	9.692256	7.753872
Sep	176	10	8	176	10.15379	8.123104
Oct	184	10	8	184	10.61533	8.492340
Transition to Factor Accruals						
Nov	160	10	8	160	9.23072	7.384640
Dec	184	10	8	184	10.61533	8.492340
Annual Leave Accrued:		120	96		120	96

**In the future state:**  
**Exempt**  
 Employees will accrue more in some months

# Non-Exempt Employee Example

**Example: A full-time employee that accrues 10 hours of vacation and 8 hours of sick leave per month**  
 Example based on Vacation Factor rate = .057692 and sick leave factor rate =.046154)

Employee will accrue leave on a standard quadra-weekly cycle (two biweekly pay cycles, 160 hours).  
 During the course of the year a full-time employee will accrue the same.

Pay cycle	Hours Paid	Vacation Accrued	Sick Leave Accrued
B1	80		
B2 quadra-weekly	80	9.230720	7.384640
B1	80		
B2 quadra-weekly	80	9.230720	7.384640
B1	80		
B2 quadra-weekly	80	9.230720	7.384640
B1	80		
B2 quadra-weekly	80	9.230720	7.384640
B1	80		
B2 quadra-weekly	80	9.230720	7.384640

13 quadra-weekly cycles in the year.  
 13 \* 9.230720 = 120 Vacation  
 13\* 7.384640 = 96 Sick Leave



# Transition Period

	Non-Exempt Employee	Exempt Employee
October	Employee will accrue leave based on Table method for 10/1-10/31 on 10/31	Employee will accrue leave based on Table method for 10/1-10/31 on 10/31
November	Employee will accrue leave based on factor leave rate for 11/1 – 11/8 pay period 11/9 – 11/22 pay period On 11/28	Employee will accrue leave based on factor leave rate for 11/1-11/30 pay period On 12/1

# Resources

Biweekly pay and factor leave accrual information is available on the Central Payroll website at:

<http://controller.berkeley.edu/payroll>

CalTime access, training, and reporting available at:

<http://caltime.berkeley.edu/>

For questions:

Email [caltime@berkeley.edu](mailto:caltime@berkeley.edu)