

**UCDAVIS**

Finance

# UCPath CBR Update

June 26, 2019



# What We Know

- CBR proposal was submitted by UCOP
  - Communication and approval process has started
- Change KFS to closely mirror the UCPATH CBR charging methodology for July 2019
  - Utilize the proposed CBR rates
- Will not change the VLA rates or processes until UCPATH goes live in October
- Implementing a mitigation plan for Postdoctoral Employees
  - Notification from AVC Sarah Mangum
    - **Fiscal Year 2019-20:** Campus will provide funding to cover the full cost of the 8.6% increase for all Postdoc Employees.
    - **Fiscal Year 2020-21:** Campus will provide funding to cover 50% of the increase, or 4.3%, of the CBR rate for Postdoc Employees.
    - **Fiscal Year 2021-22:** No additional bridge funding will be provided and units and PIs should have adjusted their expenditure plans to accommodate the full CBR change.

# UC Davis Composite Benefit Rates

<b>Full Benefit Eligibility</b>	<b>Proposed FY 19-20 UCPath Rates</b>
HCOMP Faculty, SOM Physicians & SMG	25.5%
Nurses & Other Physicians	34.2%
Faculty, Other Academic Appointments, MSP, Fire and Police	38.5%
All Other Staff	53.1%
Service Staff	66.2%
<b>Non-Full Benefit Eligibility</b>	
Postdoc Employees	25.9%
Faculty Summer Salaries	10.3%
Grad & Undergrad Students	1.9%
Employees with Limited Benefit Eligibility	17.4%
Employees with No Benefit Eligibility	3.6%

# ANR Composite Benefit Rates

<b>Full Benefit Eligibility</b>		<b>Federally Proposed FY 2020</b>
A	Academic & Management	43.2%
B	Staff Exempt	54.3%
C	Staff Non-Exempt	65.4%
<b>Not Eligible for Full Benefits</b>		
D	Postdoc Employees	29.2%
E	UC Davis Grad & Undergrad Students	2.1%
F	All Limited Term Employees	6.4%

# Key Changes

	FY2018-19	FY 2019-20	
Payroll Component	Current State	Jul-Aug (Sept goes on UCPATH)	UCPATH (Oct 1)
Wages	PPS	No Change	UCPATH payroll details will record "REG" pay vs. "VAC" when applicable. Ledger posting to accounts will reflect 100% of salary costs
CBR Rates	KFS	Update existing KFS process to approximate UCPATH	Published rates are only applied to "REG" type earn codes, i.e. no CBR on "VAC" earn types
Leave Accrual - Salary	KFS - assesses based upon 10 category codes, max thresholds applied	No change	Only 2 leave rate categories assessed on "REG" type earn codes. No max threshold applied
Leave Accrual - Benefits	KFS	Eliminate accrual of benefits on VLA, part of mimicking UCPATH	No VLA Benefit Accrual
Leave Usage - Salary	KFS	No change	No change- transactions will look slightly different.
Leave Usage - Benefits	KFS	No change	Not credited as no CBR assessed on "VAC" earn codes
CBR Add-On (UCRP Interest)	N/A- captured under existing CBR	Manual Month-end PPS/Kuali Assessment	UCPATH
CBR Add-On (Prop 2)	Monthly process via Kuali (repurposed CGA module)	No change	no change (not part of UCPATH)
GAEL Rates	Monthly process via Kuali (Category codes mapped to Home Dept assigned to accounts). Does not charge Federal C&G	No Change	Run in UCPATH, posted along with benefits. Does not assess on vacation pay. Will not charge Federal C&G. Can only move charges via UCPATH transfer process

# What We Don't Know Yet

- VLA changes with UCPATH
  - There are requests into UCPATH to update VLA logic related to part time employees and other employees that only accrue sick
- Split funded positions in UCPATH
  - Employees in one business unit charge FAU in another business unit
- Total impacts of CBR, VLA assessments on non-vacation time