SR81832
IAP Rates Effective 4/1/07 and 7/1/07

Objective:
To modify IAP assessment rates effective with April and July earnings respectively, and to turn off IAP assessments for HX Covered distributions effective with April earnings.

Project Type:
This consists of control table changes to the Assessment Rate Table and the Incentive Award Program Table.

Requested by:
Christopher Simon, HR & Compensation Policy

Analyst:
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Due Date:
These rates must be made available to campuses so that their control tables can be updated in time to affect April month-end expense distribution.

Background:
The SRDP (Staff Recognition and Development Program) funding available for 2006-2007 is .89% of policy-covered (non-represented) payroll base. Funding was reduced from the prior year’s .92% level due to the costs of implementing the wage increases for lower-paid policy-covered (non-represented) employees.

For the first 9 months of the 2006-2007 fiscal year, a rate of .92% was assessed. Locations must now lower the assessment rate to .80% for the last three months of 2006-2007 (April, May and June) to amount to an overall rate of .89% for the 12-month period. This assessment rate of .80% must be effective 4/1/07.

For the 2007-2008 fiscal year, the assessment rate will be .87%, effective 7/1/07, for PSS and MSP employees.

In addition, IAP assessments for the University Professional and Technical Employees (UPTE) Health Care Professionals Unit (HX - covered) must be turned off effective with April earnings, assessed during April month-end processing, due to their current contract, effective 4/1/07, which states:

H. BONUS AND INCENTIVE AWARDS
The program that was formerly known as the Incentive Award Program (IAP), has been abolished at all campus locations and the 0.5% funding of this program has been rolled into the general increase identified in Appendix A and Sections A - C above.
Control Table Changes:

Assessment Rate Table
Changes are as follows, per the attached UPAY870 form:

Effective 04/01/2007 change PSS and MSP rates to 0008000; effective 07/01/2007 change
PSS and MSP rates to 0008700.

Four add transactions as follows:

<table>
<thead>
<tr>
<th>A/D/C</th>
<th>Table No.</th>
<th>Benefit Assessment Type</th>
<th>Assessment Rate Cd.</th>
<th>Effective Date</th>
<th>Assessment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>42</td>
<td>IAP</td>
<td>PSS</td>
<td>040107</td>
<td>0008000</td>
</tr>
<tr>
<td>A</td>
<td>42</td>
<td>IAP</td>
<td>MSP</td>
<td>040107</td>
<td>0008000</td>
</tr>
<tr>
<td>A</td>
<td>42</td>
<td>IAP</td>
<td>PSS</td>
<td>070107</td>
<td>0008700</td>
</tr>
<tr>
<td>A</td>
<td>42</td>
<td>IAP</td>
<td>MSP</td>
<td>070107</td>
<td>0008700</td>
</tr>
</tbody>
</table>

Incentive Award Program Table
Effective 04/01/2007 change assessment rate code to ‘None’ for Title Unit Code HX,
Appointment Representation Code C.

One add transaction as follows, per the attached UPAY869 form:

<table>
<thead>
<tr>
<th>A/D/C</th>
<th>Table No.</th>
<th>Personnel Program</th>
<th>Appt Type</th>
<th>Title Unit Cd</th>
<th>Appt Rep Cd</th>
<th>Title Begin</th>
<th>Title End</th>
<th>Effective Date</th>
<th>Assessment Rate Cd</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>43</td>
<td>1</td>
<td>HX</td>
<td>C</td>
<td></td>
<td></td>
<td></td>
<td>040107</td>
<td>None</td>
</tr>
</tbody>
</table>