

**University of Maryland**  
**School of Pharmacy**

Fiscal Year 2010 Temporary Salary Reduction Plan  
(As of September 30, 2009)

The material provided in this document is intended to answer the majority of questions that employees in the School of Pharmacy may have about the TSR Plan and how it affects them. It does not address every possible scenario, unique situation, or question. If you have questions or concerns that are not addressed in this document, or through the informational link provided, we ask that you direct your questions to: **DL-SOP-TSR PLAN** so that we can respond to your concerns.

This document also provides important information about the campus closure on December 23<sup>rd</sup> and 24<sup>th</sup>, an update about how the School will handle the Maryland Day floater holiday that was scheduled for observance on December 24<sup>th</sup>, and the distribution of paychecks on December 23<sup>rd</sup>.

**Quick link to information:**

For more information about the TSR Plan, Frequently Asked Questions, the revised School of Pharmacy Holiday Schedule and Closings, Samples of staff time sheets illustrating the use of Paid Administrative leave, and more, visit the SOP Human Resources-Payroll website at: [www.pharmacy.umaryland.edu/tsr](http://www.pharmacy.umaryland.edu/tsr)

**Fiscal Year 2010 Temporary Salary Reduction Plan**

**What are the components of the Temporary Salary Reduction Plan (TSR Plan)?**

- No disruption or reductions to benefits
- Temporary salary reduction starting with the pay check distributed on October 16, 2009
- Paid Administrative leave provided in exchange for the salary reduction

**Who at the School of Pharmacy is exempt from the plan?**

Contingent category 1 employees (C1, hourly), Student employees, Adjunct faculty paid by the course, Graduate students (research and teaching), Post-Docs, Residents, Fellows, Employee on H1-B visas, Employee whose salary, as of 9-1-2009, is funded 90% or more from externally sponsored programs administered through ORD, MPC Information Specialists (life safety), Employees hired after 9-1-2009. If you are uncertain of your status please email your inquiry to **DL-SOP-TSR PLAN**.

**For those who are not exempt from the TSR Plan**

**How does the salary reduction component of the plan work?**

- It's a temporary salary reduction
- Reduction is between 1% to 5% depending on annual salary. For details visit: [www.pharmacy.umaryland.edu/tsr](http://www.pharmacy.umaryland.edu/tsr)

- Reductions will be made biweekly in even increments for the next 20 pay periods, from September 27, 2009 through June 30, 2010.

**Sample calculation:**

This example is for an exempt employee with a gross annual salary of \$50,000 for FY2010 (7-1-09 through 6-30-10). The salary reduction for an employee making \$50,000 is 2.5%. This employee will receive a total of 6 Paid Administrative leave days – two scheduled for December 23<sup>rd</sup> and 24<sup>th</sup>, and four that each employee may schedule with supervisor’s approval.

Step 1: Calculate the biweekly pay rate by dividing the annual salary by the number of pay periods in

$$\text{one year: } \$50,000 / 26.071428 = \$1,917.81$$

Step 2: Calculate the amount of the biweekly reduction by multiplying the biweekly pay rate by 2.5%:

$$1,917.81 \times 2.5\% (\% \text{ Reduction}) = \$47.95$$

Step 3: Calculate the total amount of the reduction by multiplying the biweekly reduction by 20 pay

$$\text{periods: } \$47.95 \times 20 \text{ pay periods} = \$959$$

**What about part-time employees (those with an appointment of less than 1.00 FTE)?**

A part-time employee’s salary will be calculated for the full-time equivalency to determine the appropriate salary level in the TSR Plan at which the employee will participate.

**How does the Paid Administrative leave component of the plan work?**

- Paid Administrative leave is provided in exchange for the temporary salary reduction
- The number of leave hours provided is based on the employee’s salary. For details visit: <http://www.hr.umaryland.edu/tsr/>
- A bucket of Paid Administrative leave will be front-loaded, meaning all leave hours will be added to the employee’s leave bank at one time
- Leave will be appear on the timesheet and will be tracked, as “Other” leave in system
- Leave must be used from September 27, 2009 through June 30, 2010. Employees should request usage of leave through supervisor
- Leave expires on June 30, 2010. There is no option for carry over or payout

**Related issues for everyone:**

**Floating Holiday that was scheduled for use on December 24, 2009**

- The observance of Maryland Day, the floating holiday earned on March 25, 2009, has been rescheduled from Thursday, December 24, 2009, back to a floating holiday that

each employee may schedule for use based on operational needs and with supervisor's approval.

- The holiday must be used by December 31, 2009

#### **December 23rd and December 24<sup>th</sup>**

- The campus will be “generally closed”
- Essential employees must report to work for operational needs such as life-safety activities or patient care. Essential employee should check with their supervisor to determine if their services are needed on these days. If services are not required the employee should not report to work
- Employees in the TSR Plan are off and will use the two Paid Administrative days already designated by the campus for December 23 and 24
- Employees not in the TRS Plan who are not essential employees may use leave to take off on December 23 and December 24

#### **Payday – Wednesday, December 23, 2009**

- Paychecks will be available for distribution on December 23
- SOP HR-PR team will distribute live paychecks on the 23<sup>rd</sup> – the exact time is TBD