FY 21 Additional Payments FAQ

As stated in President Garimella’s memo to non-represented employees on February 2, 2021, UVM will be providing additional payments equivalent to the pay reductions (up to 5%) that have been in place during Fiscal Year 2021 (July 1, 2020 to June 30, 2021). Salaries and hourly rates for Fiscal Year 2022 will be set at pre-pay reduction levels.

1. Who is eligible to receive additional payments?
Non-represented staff, non-represented faculty, chairs, associate deans, deans and officers of administration who 1) were actively employed on July 1, 2020, 2) received a pay reduction, and 3) remained actively employed on February 2, 2021, will receive additional payments.

2. When will I receive my additional payment?
Eligible employees will receive additional payments beginning with their first paycheck in March. This paycheck will reflect reduced earnings applied to wages between July 1, 2020 through the first payroll in March 2021. Paychecks for the remainder of the fiscal year will reflect the additional payment for the given pay period.

3. How are the Additional Payment amounts being calculated?
For exempt employees, additional payments will be calculated using the difference between Fiscal Year 2020 and Fiscal Year 2021 base salary.
For non-exempt employees, additional payments will be calculated using the difference between Fiscal Year 2020 hourly rate and Fiscal Year 2021 hourly rate multiplied by the number of hours worked. Non-exempt employees will also receive 1.5 times the increase in hourly rate for any overtime hours worked in Fiscal Year 2021.

4. Will retirement contributions be made on the additional payments?
Yes. If you are otherwise eligible to receive 403b contributions, you will receive retirement contributions on the additional payments.

5. Are temporary employees eligible to receive the additional payments?
No. Temporary employees are not eligible to receive the additional payments. Additionally, post docs did not receive pay reductions and therefore are not eligible to receive the additional payments.

6. Will I receive the additional payments if I have already retired or otherwise separated from the University?
No. Employees who separated from the University prior to February 2, 2021 are not eligible to receive the additional payments.

7. What if I retire or leave the University between February 2 and March 15?
If you are eligible for the additional payments and leave the University after February 2 but before March 15, your payments will be prorated from July 1, 2020 to your last day of employment.

8. What if I was on leave for part of the period since July 1, 2020?
For employees who used paid leave or time-off, your additional payments will reflect your pay reduction for Fiscal Year 2021, regardless of the amount of paid leave used during that period.

For employees who used unpaid leave or time-off, your additional payments will be reduced for time spent in an unpaid status beyond 30 days cumulatively.
9. How will my additional payments be calculated if I received a pay rate change since July 1, 2020? Employees who have received a pay rate change since July 1, 2020, will receive additional payments reflecting the amount that their pay was reduced between July 1, 2020 and the date of their pay change. Your Fiscal Year 2022 salary will be evaluated by Human Resource Services, and communicated to you by June 1, 2021.

10. How do I know how much I will be receiving in additional payments? You will receive a letter that will state the total amount of your additional payments.

11. If I leave the University before July 1, 2021, will my vacation pay-out reflect the additional payments? No. If you leave the University before July 1, 2021 your vacation pay-out will be based on your current rate of pay on your last day of employment. Base pay restoration will not be effective until July 1, 2021.

12. Will my medical premium rate increase because of the additional payments that I will be receiving? No. As a courtesy, medical premium salary bands for FY 2021 will continue to be assessed against reduced salary figures.

13. Will the additional payments be taxable in 2020 or 2021? Because you will receive additional payments in calendar year 2021, they will be included in your 2021 W2 tax form and taxable in 2021.

14. If I reduced my FTE to help my department with their budget reduction, will I receive additional payments for that FTE difference? No. There will be no additional payments to reflect reduced FTE. The FTE reductions were used as a separate strategy to balance that specific department’s budget.

15. If I have taken furlough days since July 1, 2020, or have furlough days scheduled between now and June 30, 2021, will I receive additional payments for those days? No. There will be no additional payments to reflect furlough days, and scheduled furlough days will be maintained. Both voluntary and mandatory furloughs were used as a separate strategy to balance that specific department’s budget.

16. Is there any additional work/paperwork that will be required for our grant-funded staff and faculty? No. There is no additional paperwork required for grant-funded non-represented employees.

17. How will the additional payments be funded and processed? Fiscal Year 2021 additional payments will be centrally funded. No transactions will be needed at the department level.

FY 22 Salaries

18. Will my restored salary be reflected in my gross base pay? Yes, starting with the beginning of Fiscal Year 2022. Until then, the additional payments will reflect the compensation you would have otherwise received. See also question and answer to #3 above.
19. How will FY 22 salary restoration be processed?
Fiscal Year 2022 Salary Restoration: The Financial Analysis and Budgeting Office and Classification and Compensation will create a Fiscal Year 2022 salary file along with instructions that will be sent to each reporting unit. Units will then populate Axiom during the Fiscal Year 2022 budget building process.

Departments should plan to send individualized Fiscal Year 2022 salary letters to employees in accordance with their normal timetable.

20. Will pay rates be restored for temporary employees on July 1, 2021 (e.g. FY 22)?
No. Departments may go through the essential hire approval process if they wish to restore any temporary employee wages effective for July 1, 2021.

21. I was hired after July 1, 2020 at a salary reflective of the University’s pay reduction program, will my salary change for Fiscal Year 2022?
Salaries for new hires (as of July 1, 2020), who have a salary within the pay reduction salary parameters, will be evaluated by Human Resource Services. Fiscal Year 2022 salaries will be communicated to new hires by June 1, 2021.

22. I received an off-cycle salary adjustment or promotion since July 1, 2020, will my salary change for Fiscal Year 2022?
Human Resource Services will review all off-cycle adjustments and changes in pay that employees received since July 1, 2020. Fiscal Year 2022 salaries will be communicated by June 1, 2021.

23. Will employee benefit premiums change in 2022?
Every fall, UVM evaluates what each benefit plan will cost in the coming calendar year. This is based on costs in the previous months, future expectations and vendor contract terms. UVM sets and announces future employee premiums in October, prior to benefits open enrollment. It is uncertain at this time whether medical and dental premiums may go up in calendar year 2022; however, life insurance, long term disability and vision benefit costs will remain the same in calendar year 2022 because of favorable contract terms.

General Questions

24. Is there still a hiring freeze?
Yes. Even though we are making additional payments in Fiscal Year 2021 and restoring salaries for Fiscal Year 2022, we continue to incur operating expenses and revenue shortfalls. Thus, we need to continue to remain fiscally prudent about expenditures in all of our administrative and academic units.

25. Do we need to continue to fill out the Essential Hire Form to continue to get pre-approval for hires and additional expenses?
Yes. We need to continue to remain fiscally prudent about expenditures in all of our administrative and academic units.