Procedural Notes on Sabbatical and Difference in Pay Leaves

These notes are not intended to be all-inclusive notes but to answer some of the common procedural questions for these types of leaves.

General information
Sabbatical leaves and difference in pay (DIP) leaves are separate leave types, though both are paid leaves granted for research and professional development, of benefit to the campus. Sabbatical leaves undergo a campus-wide peer review. Difference in pay leaves are, in effect, competitive within each school. All applications, whether for sabbatical or for difference in pay leave, are submitted to Faculty Affairs by September 15th.

Faculty frequently ask about the requirement for a bond, promissory note, or statement of assets. Required by Articles 27.9 and 28.11 of the collective bargaining agreement, the bond, note, or statement of assets provide confirmation that the faculty member will be able to repay salary in the event s/he chooses to leave the University without rendering the required period of service following return. The statement of assets, which has no cost associated with it, is the most commonly used method of providing this confirmation.

The effect of Sabbatical and Difference in Pay leaves on pay and benefits
The information below is by no means comprehensive, but touches on some of the most common questions.

Pay: For many faculty, a critical element of deciding which type of leave to apply for is the pay rate during the leave. Pay during a one-semester sabbatical (or equivalent period for 12-month employees such as Librarians) is unchanged from the current rate of pay. To calculate pay on a Difference in Pay leave or a Sabbatical of two semesters or the equivalent period for 12-month employees:

• Two-semester Sabbatical:
  Find your gross rate of pay on a recent pay stub; this will be listed as “gross rate,” not “taxable gross.” Divide your current gross rate of pay in half. Percentage-based deductions such as tax withholding and retirement contributions will also be cut in half; you may fall into a lower tax bracket, and tax withholding may be reduced even more than half. Fixed-amount deductions such as health insurance premiums will be unchanged. This rate of pay will apply over 12 months.
• **Difference in Pay Leave:**

Calculation of the Difference in Pay leave is outlined in Article 28.3 of the collective bargaining agreement:

The salary for a Difference in Pay leave for a faculty unit employee shall be the difference between the faculty employee's salary and the minimum salary of the instructor rank. The salary for a Difference in Pay leave for a librarian employee shall be the difference between the librarian employee's salary and the minimum salary of the lowest comparable time-base librarian rank. The salary for a Difference in Pay leave for a counselor employee shall be the difference between the counselor employee's salary and the minimum salary of the instructor rank at the comparable time-base.

Percentage-based deductions such as tax withholding and retirement contributions will be based on this reduced rate of pay; you may fall into a lower tax bracket, and tax withholding may be reduced. Fixed-amount deductions such as health insurance premiums will be unchanged. This reduced rate of pay will apply over six months for each semester of leave or for each of the months of leave for 12-month employees.

**Benefits:**

Benefits are not affected at all by one-semester (full pay) Sabbaticals. For two-semester (half pay) Sabbaticals and Difference in Pay leaves, some benefits continue unchanged, while others are affected:

University-paid medical, life, and disability benefits are unchanged: These include health, dental, and vision insurance, and/or FlexCash; university-paid life insurance; university-paid long-term disability insurance; and sick leave accrual.

Retirement-related benefits are affected in proportion to the pay received: Your Social Security contributions are a percentage of your monthly pay; when your pay is reduced, the Social Security contributions are reduced in proportion. Social Security averages earnings over so many years that this is unlikely to have much or any effect on most faculty, but you may wish to contact Social Security to confirm the impact.

More significantly, your service credit under PERS will be reduced in proportion to the pay received (for example, a two-semester Sabbatical at half-pay will result in the accrual of half a year of PERS service credit, rather than a full year). Service credit is one of the factors in the calculation of the PERS retirement allowance, so such a reduction can have a noticeable effect on the retirement allowance. It is possible to purchase the lost service credit after your return from leave.