

### R04.07.115 Employee Furlough

To address budgetary shortfalls in any unit of the university, employees may be subject to furlough via temporary unpaid leaves of absence or via prospective, temporary reductions in pay and equivalent work hours. Prior to implementation of a furlough plan, other reductions and cost savings, as well as revenue generation will be considered and implemented as appropriate.

#### A. Definitions:

1. Furlough: Temporary unpaid leave for a designated period of time, or a prospective, temporary reduction in pay, imposed to meet a budgetary shortfall.
2. Budgetary shortfall: A status of financial health in which projected or actual expenditures are anticipated to exceed revenue.

Employees may request a reduced contract in lieu of furlough. Requests are subject to approval by the employees' dean/director and the regional human resources office.

#### B. A furlough plan may include, but not be limited to, any of the following at the discretion of the university:

1. A specified number of days each pay period, monthly or yearly may be designated as furlough days, with no business being conducted on those days.
2. Salaries of exempt employees may be reduced by a specified percentage.
3. Non-exempt employees may have reduction of 11h ( ) 3px-1 e ( ) 01ea-1 ). 4. A different grades or classifications.

Reduction of pay will include reduction of expected effort.

#### C. All university employees (full or part-time, regular, term or temporary) on furlough, except:

1. Employees who hold H-1B visas, as defined in 20 C.F.R. § 655.714(a)(1);
2. Graduate/teaching/research assistants, postdoctoral fellows, and other student employees; pay FICA, and other student employees;
3. Employees on military leave with pay;
4. Employees who perform functions essential to maintenance of the university as determined by the chancellor or president and
5. Employees whose compensation is derived 100% from the university.

D. Employee benefits during a furlough will be affected as follows:

1. Accrual of annual and sick leave will be reduced by a furlough.
2. Holiday pay for benefit-eligible employees will not be reduced for a holiday immediately before or after a furlough day.
3. Health care and life insurance benefits will not be reduced by a furlough.
4. Paydeductions authorized by an employee during a furlough will not be reduced. The employee remains responsible for making all employee contributions during a furlough period, including health coverage.
5. Retirement contributions by both the employee and the University will be reduced by a furlough. Service credit may also be reduced.

E. A furlough plan for unit(s) affected by a budgetary shortfall will be implemented upon recommendation of the chancellor and the vice president for finance and administration, and approval of the president. The president see holiday8m((ed)-14(6c)-1(t)-6-CrseB)-6 es t(ou

- J. The provisions of this section apply only to employee furlough and are not applicable to layoff or any other type of termination of university employment.