

Mandatory Furlough Program / Voluntary Pay Reduction Program Comparison Chart

	Mandatory Furlough Program	Voluntary Pay Reduction Program
Eligible Employees	<p>The following faculty and academic professional employees are subject to the mandatory furlough program:</p> <ul style="list-style-type: none"> • “Executive Group” which includes: <ul style="list-style-type: none"> ▪ President ▪ Chancellors ▪ Deans ▪ Resource Allocation Management Program (“RAMP”) administrators ▪ Certain senior administrators identified by the President • Faculty and academic professional employees. 	<p>The same faculty and academic professional employees who are subject to the mandatory furlough program are eligible for the voluntary pay reduction program:</p> <ul style="list-style-type: none"> • “Executive Group” which includes: <ul style="list-style-type: none"> ▪ President ▪ Chancellors ▪ Deans ▪ Resource Allocation Management Program (“RAMP”) administrators ▪ Certain senior administrators identified by the President • Faculty and academic professional employees.
Excluded Employees	<p>Employees currently excluded from the mandatory furlough program include:</p> <ul style="list-style-type: none"> • Civil Service employees (including Open Range and exempt employees) • Faculty and academic professional employees whose total annual base salary is \$30,000 or less (part-time employees are not prorated) as set forth in their NOAs as of December 15, 2009 • Faculty and academic professional employees employed on December 15, 2009 in a position that was 100 percent funded by 	<p>Employees currently excluded from the mandatory furlough program will be exempt from the voluntary pay reduction program and include:</p> <ul style="list-style-type: none"> • Civil Service employees (including Open Range and exempt employees) • Faculty and academic professional employees whose total annual base salary is \$30,000 or less (part-time employees are not prorated) as set forth in their NOAs as of December 15, 2009 • Faculty and academic professional employees employed on December 15, 2009 in a position that was 100 percent funded by

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	<p>soft funds as designated on the employee's NOA as: "... payment is contingent upon receipt of funds for the project on which you are assigned."</p> <ul style="list-style-type: none"> • Employees who have reached an agreement to retire on or before August 15, 2010 which was executed in a formal written agreement approved and signed by appropriate Campus or University administrators by January 29, 2010 • Graduate Assistants • Post-doctorate Fellows • Pre-doctorate Fellows • Virtual Instructors (Global Campus) • Academic hourly • Graduate student hourly • Undergraduate student hourly • H1B and E3 visa holders • Medical and Veterinary Medicine Residents 	<p>soft funds as designated on the employee's NOA as: "... payment is contingent upon receipt of funds for the project on which you are assigned."</p> <ul style="list-style-type: none"> • Employees who have reached an agreement to retire on or before August 15, 2010 which was executed in a formal written agreement approved and signed by appropriate Campus or University administrators by February 2, 2010 • Graduate Assistants • Post-doctorate Fellows • Pre-doctorate Fellows • Virtual Instructors (Global Campus) • Academic hourly • Graduate student hourly • Undergraduate student hourly • H1B and E3 visa holders • Medical and Veterinary Medicine Residents
Time and Manner of Pay Reduction	<p>An employee's pay will be reduced in an amount equivalent to:</p> <ul style="list-style-type: none"> • One (1) work day per month for four (4) months for faculty and academic professional employees, and • Two (2) work days per month for five (5) months for Executive Group Members 	<p>An employee's pay will be reduced in an amount equivalent to:</p> <ul style="list-style-type: none"> • One (1) work day per month for four (4) months for faculty and academic professional employees, and • Two (2) work days per month for five (5) months for Executive Group Members
Pay Day Reduction Calculation	<p>The amount of pay reduction for each work day will be based on an amount that is equivalent to the employee's daily rate of pay. An employee's daily</p>	<p>The amount of pay reduction for each work day will be based on an amount that is equivalent to the employee's daily rate of pay. An employee's daily</p>

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	<p>rate of pay is determined as follows:</p> <p>Hourly Rate x 8 Hours per Day x Full Time Equivalency (FTE) = Daily Rate of Pay</p>	<p>rate of pay is determined as follows:</p> <p>Hourly Rate x 8 Hours per Day x Full Time Equivalency (FTE) = Daily Rate of Pay</p>
Work Restrictions on Furlough Days	<p>Faculty and academic professional employees are not allowed to work on the furlough day. Supervisors may not require, ask or permit employees to work on a furlough day. If an employee is required to work on a day that has been previously designated as a furlough day, the day will not be counted as a furlough day and the employee will be required to take a different day as a furlough day during the relevant pay period.</p>	<p>Not Applicable.</p>
Time Tracking Requirements – Faculty, attorneys and physicians	<p>Faculty members (including researchers) are categorized as ‘teachers’ under the Fair Labor Standards Act. By virtue of the nature of their duties alone, attorneys who are engaged in the practice of law for the University, physicians who are engaged in the practice of medicine for the University and ‘teachers’ are exempt from the Fair Labor Standards Act requirements and are not required to be paid on an hourly basis during a work week containing a furlough. Nevertheless, these employees should follow the same guideline to not work on the day of the furlough.</p>	<p>Not Applicable.</p>
Time Tracking Requirements – Academic Professional Employees	<p>The Fair Labor Standards Act requires employees who are otherwise exempt by virtue of the "salary test" to be paid on an hourly basis during a work week containing a furlough. Therefore, an academic professional employee becomes non-exempt for the week during which a furlough day is taken and must</p>	<p>Not Applicable.</p>

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	track all hours worked on the non-furlough days. In tracking their hours, these employees are required to ensure that they do not work on a furlough day or additional hours during the remainder of a furlough week to make up for the furlough day.	
Work Schedule Restrictions & Requirements – Academic Professional Employees	An academic professional employee’s immediate supervisor must pre-approve the requested furlough day(s) prior to the day in which it will be taken.	None.
SURS Benefit Impact	SURS benefits are based on years of service, actual earnings, and accrued interest. A furlough day will reduce actual earnings and thus impact SURS benefits.	SURS benefits are based on years of service, actual earnings, and accrued interest. A voluntary pay reduction will reduce actual earnings and thus impact SURS benefits.
Ability to Make-Up Contributions to SURS	The University has designated furlough days as “formal leaves of absence” for purposes of enabling employees to restore SURS credit for unpaid furlough days. Employees will be eligible to make up the contributions which would otherwise be reduced while on furlough, in accordance with SURS statutes and rules to receive credit for formal leaves of absence.	Under SURS statutes, there is no ability to make up decreased contributions due to reduced compensation.
Health Benefits Impact	None.	None.
Basic Life Insurance Coverage Impact	The University does not believe furloughs will have any impact on basic life insurance coverage amounts.	Annual base salary is reduced thereby reducing the basic life insurance coverage amount.
State Accidental Death & Dismemberment Insurance Coverage Impact	None.	None.
University Supplemental Term Life Insurance and AD&D Insurance Coverage Impact	None.	None.

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University Supplemental Long-term Disability (LTD) Insurance Coverage Impact	LTD benefits are based on the greater of an employee’s annual salary or his or her average annual SURS academic year earnings for the previous two years. Monthly LTD benefits equal 66.67% of an employee’s monthly pre-disability earnings, less deductible sources of income and disability earnings, up to a maximum monthly benefit of \$12,000. The minimum monthly benefit is \$100. Therefore, if an employee’s average annual SURS academic year earnings for the previous two years exceed his or her annual salary, and a furlough day occurs during that two year calculation period, then the furlough day may reduce the disability benefit.	LTD benefits are based on the greater of an employee’s annual salary or his or her average annual SURS academic year earnings for the previous two years. Monthly LTD benefits equal 66.67% of an employee’s monthly pre-disability earnings, less deductible sources of income and disability earnings, up to a maximum monthly benefit of \$12,000. The minimum monthly benefit is \$100. Therefore, if an employee’s average annual SURS academic year earnings for the previous two years exceed his or her annual salary, and a voluntary pay reduction occurs during that two year calculation period, then the pay reduction may reduce the disability benefit.
Flexible Spending Account(s) Impact	None.	None.