



Responses to Frequently Asked Questions FY 2010 Employee Furlough Plan

University of Maryland, College Park
Updated September 25, 2009

1. What is a furlough?

A furlough is the placement of an employee in a temporary non-duty, no-pay status for budget-required reasons. It is important to note that this year's FY2010 Furlough Plan ("FP") is being handled differently than the FY2009 Plan in that eligible employees will have their furlough obligation paid for through a temporary salary reduction in accordance with the eligibility criteria and salary table as specified in the FP.

2. What is a "temporary salary reduction"?

A temporary salary reduction is an adjustment to affect the rate of pay for a specified period of time. Combining furloughs with a temporary reduction in salaries will permit the University to realize significant cost-savings while lessening the impact of such measures on employees by spreading the reductions evenly over 17 pay periods.

3. Why are campus employees being furloughed?

The State has required the University, through the Board of Regents, to return \$10.2 M in FY2010 salary funds *through furloughs* in order to balance the State budget. The campus Furlough Plan permits the University to continue to pursue its teaching, research and service mission with minimal disruption to our students and stakeholders that we serve.

4. Who is being furloughed?

The Furlough Plan covers full-and part-time employees at the University of Maryland, College Park. Faculty and Staff employees on fully State-funded appointments, or partially State-funded appointments in combination with any other funding source in the following categories:

- Faculty Tenured (category status code-01)
- Faculty Non-Tenured On-Track (category status code-02)
- Faculty Non-Tenured, Term Contract (category status code-03)
- Faculty Non-Tenured, Continuing (category status code-15)
- Faculty Contractual (category status code-25)
- Nonexempt Staff Regular (category status code-20)
- Nonexempt Staff, Contingent 2 (category status code-22)
- Exempt Staff Regular (category status code-33)
- Exempt Staff, Contingent 2 (category status code-35)

- New hires in eligible categories who are appointed prior to February 1, 2010, effective from the pay period of appointment.

5. Who is not being furloughed?

Faculty and Staff excluded from the plan are:

- Student hourly employees
- Graduate Assistants
- H1-B Visa holders
- Nonexempt, Contingent 1 Staff (category status code-31)
- Exempt, Contingent 1 (category status code-34)
- Faculty Hourly (category status code-36)
- Faculty Non-Regular, Non-Tenured (category status code-37-with the exception of Overload appointments, which will be included in furlough calculations)
- Faculty and staff appointed on or after February 1, 2010
- Employees with appointments that are 100% Contract and Grant-funded as of September 15, 2009. Note: should funding change to partial grant funding after 9/15/2009, employees will be assessed the amount they would otherwise have been responsible for under the FP, from the pay period of change through pay period 24 (May 22, 2010).

6. Will classes be cancelled or services discontinued during the FY2010 Furlough Plan?

No, classes will not be cancelled. All campus units should schedule furlough days in a way that will not disrupt the commitments of the campus.

7. What are the parameters of the FY2010 Furlough Plan for the University of Maryland, College Park?

The FP will begin on September 27, 2009 and end on May 22, 2010. The FP is comprised of two parts:

- “Campus Closure/Furlough” (Part 1)
- “Additional Furlough” (Part 2)

8. How many days will the campus close under Part 1 of the FP?

The campus will be closed four days during FY2010 as part of the FP, in addition to the regular holiday and administrative leave days published with the campus academic calendar. The additional campus closure days are:

- **December 23 and 24, 2009**
- **March 17 and 18, 2010**

9. How many additional days of furlough do I have to take under Part 2 of the FP?

The FP obligation (target) is based on the employee’s **total full-time equivalent salary**, plus all salary additions (excluding health and retirement), **as of September 15, 2009.**

The FP target is achieved by a combination of campus closure days (Part 1), and additional furlough days for the higher salary levels (Part 2). **Eligible employees will have their total FP target reflected as a temporary salary reduction taken in equal amounts in each of the pay periods beginning September 27, 2009 through May 22, 2010.**

Total Furlough Target (Days)	Employee's Total FTE Salary (Full-Time Equivalency with Salary Additions As of September 15, 2009)
2	\$29,999 and under
3	\$30,000 to \$49,999
4	\$50,000 to \$69,999
5	\$70,000 to \$89,999
6	\$90,000 to \$114,999
7	\$115,000 to \$139,999
8	\$140,000 to \$169,999
9	\$170,000 to \$199,999
10	\$200,000 and above

10. How will my salary be affected during the FY2010 Furlough Plan?

Eligible employees will have their salaries temporarily reduced consistent with the employee's FP target detailed in the salary table. Based on the employee's FP target, **this temporary salary reduction will be taken in equal installments from the employee's paycheck in each of the 17 pay periods between September 27, 2009 (pay period 08), and May 22, 2010 (pay period 24). The first paycheck affected by this temporary salary reduction will be October 16, 2009.**

11. How was my FTE salary computed to determine my FP target number of days if I am a full-time employee?

To compute the FTE salary, divide the employee's total salary (across appointments) / the total FTE (across appointments).

For example, a full-time employee who earns a total salary of \$100,000 ($\$100,000/100\% = \$100,000$) will therefore be required to take six furlough days.

12. How was my FTE salary computed to determine my FP target number of days if I am a part-time employee?

Part-time employees will be brought to the full-time equivalent for FP target determination.

For example, a 50% employee who earns a total salary of \$50,000 would have their salary converted to a full-time status (total salary/total FTE = equivalent salary), or ($\$50,000/.50 = \$100,000$).

13. How is my total salary reduction amount computed?

The total reduction amount under the FP is calculated as follows:

1. First, determine the daily rate of pay (total biweekly amount/10 = daily rate of pay).
2. Next, calculate the total salary reduction amount (daily rate of pay x total number of admin leave-furlough days).
3. Then, determine the total salary reduction amount per pay period (total salary reduction amount/17 pay periods).

Example 1: A full-time 12-month employee with a total FTE salary of \$100,000.00 is required to take six admin leave-furlough days based upon the FP:

\$3,836 = (total biweekly amount)

$\$3,836/10 = \383.60 (daily rate)

$\$383.60 \times 6$ furlough days = \$2,301.60 (total salary reduction amount)

$\$2,301.60/17 = \135.39 (temporary salary reduction amount per pay period)

Example 2: A part-time, 50% employee, who has a total salary of \$50,000.00 (FTE salary \$100,000) is required to take six admin leave-furlough days:

\$1,918 = (total biweekly amount)

$\$1,918/10 = \191.80 (daily rate)

$\$191.80 \times 6$ furlough days = \$1,150.80 (total salary reduction amount)

$\$1,150.80/17 = \67.69 (temporary salary reduction amount per pay period)

Note: Biweekly amounts for academic employees paid over 12 months are spread out over 26 pays versus 22 pays, and therefore must have their biweekly salaries converted to an academic year salary. (Total biweekly salary x 26)/22 = total biweekly salary.) This conversion is done in order to equalize salaries for furlough calculation purposes among faculty.

Specific questions as to the amount of the temporary salary reduction can be provided by the PHR Department Creator via the PHR system.

14. Is there someplace where I can view my salary reduction amount?

Yes, a secure on-line display of an employee's Furlough Information is available through the University's ARES web page. To access the furlough details:

1. Access "ARES" at <http://ares.umd.edu/home/>
2. Click "Payroll and Human Resources"
3. Click "View/Print Bi-weekly Earnings Statement"
4. Enter University ID (UID) and password
5. Click "Login"
6. Click "Continue"

This will open the "Online Earnings Statement-Select Pay Period"

page. Here the "FY 2010 - Furlough/Salary Reduction Information" will display. Included is the "Total Number of Admin Lv-Furlough Days", "Total Salary Reduction Amount", and "Current Bi-Weekly Salary Reduction Amount".

15. Why is a Total FTE salary used to determine the salary level for furloughs rather than my actual salary?

FTE salaries equalize all salaries for furlough purposes.

Example 1: A full-time employee who earns \$100,000 per year has an hourly rate of \$47.95 and a furlough obligation of 6 days based on:

$\$47.95 \times 80 \text{ hrs} = \$3,836$ total biweekly

$\$3,836/10 = \383.60 per day

$\$383.60 \times 6 \text{ days} = \$2,301.60$ total temporary salary reduction amount

$\$2,301.60/17 = \135.39 (temporary salary reduction amount per pay period)

Example 2: A 50% part-time employee who earns \$50,000 per year has an hourly rate of \$47.95 and a furlough obligation of 6 days based on:

$\$47.95 \times 40 \text{ hrs} = \$1,918$ total biweekly

$\$1,918/10 = \191.80 per day

$\$191.80 \times 6 \text{ days} = \$1,150.80$ total temporary salary reduction amount

$\$1,150.80/17 = \67.69 (temporary salary reduction amount per pay period)

16. What if my salary changes during the year?

The number of required furlough days is based on the "point in time" total FTE salary including salary additions (excluding health and retirement subsidies for Contingent-2 staff) as of September 15, 2009.

17. Are 100% grant-funded employees subject to the FY2010 Furlough Plan?

No. However, if an employee's funding changes during the FP to partially grant-funded, the employee will be subject to the FP. That employee will then have salary reductions for each of those pay periods in which they are partially grant-funded.

18. Are partially grant funded employees subject to the FY2010 Furlough Plan?

Yes.

19. What if I have two appointments and one is 100% grant-funded and the other appointment is partially grant-funded, am I subject to the FY2010 Furlough Plan?

Yes.

20. How do I record my Admin Leave-Furlough days?

Campus closure days will be automatically populated as "Admin Leave-Furlough" days on the PHR timesheet/PHR faculty leave record, based on the employee's FP target in the salary table.

Any additional furlough days required under the FP, are to be recorded on the PHR timesheet/PHR faculty leave record by the employee.

Contractual Faculty (category status 25) furlough days must be maintained within their departments.

21. Am I required to take my Admin-Leave Furloughs days as full days?

No. Employees have the option to take their furlough days in half- (4-hour) or full-day (8-hour) increments.

22. If I am excluded from the FP or required to take fewer than four days (total days campus will close during the FP) what will I record on my PHR timesheet/faculty leave record?

Employees who are excluded from the FP, as well as those required to take fewer than the four days covered by the campus closure, must take accrued annual leave, personal leave, or nonexempt comp time (if applicable), in order to be paid for those days.

Example 1: An employee who has a two-day FP target will have the first two campus closure days populated with “Admin Leave-Furlough” on their PHR time/leave record in order to achieve their required target. For the remaining closure days, the employee must record annual leave, personal leave, or nonexempt comp time (if applicable), in order to be paid for those days.

Example 2: An employee whose appointment is 100% grant-funded must record four days of annual leave, personal leave, or nonexempt comp time (if applicable), in order to be paid for the campus closure days.

23. If I am a faculty member with a 9 month appointment, who is excluded from the FP or required to take fewer than 4 days of Admin-Leave Furlough, what do I record on my Faculty Leave Record since I do not earn leave?

Faculty who have 9 month appointments and do not earn leave are to record Admin Leave-Furlough on their Faculty Leave Record for campus closure days.

24. If I work 10-hour days, can I use an Admin Leave-Furlough day on my scheduled day off?

Employees who work alternate work schedules must take the furloughs on regularly scheduled work days. An Admin Leave-Furlough day is equal to eight (8) hours. For those employees working more than 8 hours per day, the remaining hours must be recorded using annual leave, personal leave, or nonexempt comp time (if applicable). Work schedules may also be adjusted to accommodate the scheduling of furloughs.

25. Can I work overtime during the same pay period I take Admin Leave-Furlough?

Required overtime may be worked and is paid consistent with current campus procedures.

26. Can I substitute a day of Annual Leave, Personal Leave, or Sick Leave for my required Admin Leave-Furlough day?

No.

27. If I use Admin Leave-Furlough on the day before a holiday, will I still earn the holiday?

Yes. For example, if November 25th is used as Admin Leave-Furlough, the employee will still earn November 26th as a holiday.

28. May I take an Admin Leave-Furlough day on a holiday that is earned and observed on the same day (e.g., Martin Luther King Day, January 18, 2010)?

No, employees cannot use an Admin Leave-Furlough day on a holiday that is earned and observed on the same day.

29. May I take an Admin Leave-Furlough day on a holiday that is earned, but observed on another day (e.g., President's Day, February 15, 2010)?

Yes. The holiday will be available for use on its observed day.

30. Will the FY2010 Furlough Plan have any effect on my health insurance benefits?

No. The health benefits premiums will remain the same during the time frame that the FP is in effect.

31. Will the FY2010 Furlough Plan have any effect on my retirement benefits?

No. Furloughs do not impact retirement benefits.

32. Does the FY2010 Furlough Plan affect my Annual and Sick Leave accruals?

No, Annual Leave and Sick Leave accruals will not be affected.

33. If I am currently using paid leave, how will the FY2010 Furlough Plan impact me?

Employees on paid leave such as Sick, Advanced Sick, Extended Sick, Leave Reserve Fund, and paid FMLA will be responsible for taking their Admin Leave-Furlough days between September 27, 2009 and May 22, 2010.

34. If I am currently on unpaid leave such as LWOP or FMLA-unpaid, how will the FY2010 Furlough Plan impact me?

If the unpaid leave is scheduled to end prior to May 22, 2010, the employee will be responsible for taking Admin-Leave Furlough day(s) upon his or her return to a paid status.

35. If I am currently on Sabbatical Leave, do I have to take Admin Leave-Furlough days?

Yes. The number of Admin Leave-Furlough days and total temporary salary reduction amount to be taken is based on the total FTE salary as of September 15, 2009.

36. If I am on an H-1B Visa, will I be required to take furloughs?

No. Employees who are currently on an H-1B Visa are not required to take furloughs.

37. If I have applied for an H-1B Visa but have not yet been approved, am I required to take furloughs?

Yes. Only those employees who are on H-1B Visas are exempt from the FP.

38. If I am partially employed by UMCP and partially by another USM campus, which FP do I follow?

Employees hired by multiple USM institutions should follow the FP for each campus in accordance with their appointment.

39. Am I required to take furloughs if I work off-campus?

Yes.

40. Will new hires be affected by the FY2010 Furlough Plan?

Eligible employees hired prior to February 1, 2010, will be required to take furlough days. The determination of the salary reduction amount is calculated just like it is for other employees; however, the pay period deductions will begin the pay period in which the appointment started. The number of Admin Leave-Furlough days is prorated based on the number of salary reductions taken as:

of Admin-Lve Furl days x (# of Salary Reductions/17)=Admin Leave-Furl days

For Example, a 12 month employee is hired November 8, 2009 (start of pay period 11) and makes \$100,000. This employee qualifies for 6 Admin-Leave Furlough days based on the salary table and will have 14 salary reductions. The Admin Leave-Furlough is prorated as $6 \times (14/17) = 4.94$ days.

41. What happens if I separate from campus prior to completing the required number of Admin Leave-Furlough days?

Employees who separate from campus and have not completed their required amount of Admin Leave-Furlough days will continue to have temporary salary reductions as long as they continue to receive pay.

42. Can I receive unemployment benefits to cover the loss of compensation due to the FY2010 Furlough Plan?

Based on state and federal unemployment guidelines, the University does not anticipate that any employee will be eligible to receive unemployment benefits to cover the loss of compensation as a result of the furlough.

43. Do I have grievance rights regarding the FY2010 Furlough Plan?

No, the placement of an employee on Admin Leave-Furlough does not give rise to any grievance or appeal rights.

44. Who may I contact if I have additional questions about the Furlough Plan?

The PHR Service Center staff are available to assist with questions. Their number is 301.405.7575.

45. May I file an appeal?

Appeals to the amount of the furlough obligation may be made to the Director of University Human Resources via email at danderso@umd.edu. Appeals may be on the basis of:

- a reduction in base pay that occurred during the FY2010 FP
- expiration of an addition to pay that was included in the computation
- reduction in FTE
- or other similar circumstance