

September 19, 2009

Dear University of Maryland Family:

As I wrote on August 29, the State has mandated a return of \$10.2 million in salary funds obtained through furloughs to help balance the FY10 State budget. Our furlough plan has now been approved by the University System of Maryland.

We all agree that furloughs are tough and that they are especially difficult for some members of our community. The guiding principle of our furlough plan is equity and fairness for campus employees, while satisfying operational mandates covering our educational mission. What is equitable and fair is in the eye of the beholder. However, consultations and inputs from across our community have helped us come to what is arguably a fair, equitable and workable plan. We have discussed the principles of this plan with the Senate Executive Committee and we have consulted with our campus unions on its implications for our employees. We thank AFSCME and the Fraternal Order of Police for participating with us, and the Senate Executive Committee for its partnership.

Dale Anderson, Director of University Human Resources, will be sending you an email in short order addressing important details in the plan. It will provide instructions on its implementation, including the taking of furlough days, the mechanism of taking pay reductions and the responsibilities of employees and supervisors. He has also posted a "Responses to Frequently Asked Questions about the FY 2010 Furlough Plan" on the UM Budget Central website (www.budgetcentral.umd.edu) and the UHR website (www.uhr.umd.edu) that I encourage you to review.

The number of furlough days assigned to an employee depends on annual salary with higher earners assigned more days. The range of days assigned across our community is from two to ten including four days when the campus will close, namely December 23 and 24, 2009, and March 17 and 18, 2010. Under the plan Graduate Assistants, Contingent-I and student employees, employees paid to teach by the course, employees on H-1B visa status, employees with 100% contract and grant funded status on 9/15/09 and some other categories noted in the plan will take zero (0) furlough days. All other employees, independent of salary source and percent of employment, must take a number of furlough days based on annual compensation. Employees earning \$29,999 and under annually are assigned two days. Those earning between \$30,000 and \$49,999 will take three (3) furlough days; between \$50,000 and \$69,999 will take four (4) days; between \$70,000 and \$89,999 will take five (5) days; between \$90,000 and \$114,999 will take six (6) days; between \$115,000 and \$139,999 will take seven (7) days; between \$140,000 and \$169,999 will take eight (8) days; between \$170,000 and \$199,999 will take nine (9) days; and \$200,000 and above will take ten (10) days. Employees taking fewer than four furlough days should review the plan to determine options for compensation during the campus closure days. Please review the plan for other important details.

Regrettably, the State's financial emergency continues and we expect our budget reductions to continue even after this furlough reversion plan. Just this past week the Governor has announced

that the FY10 budget remains \$300 million out of balance even after the cuts we have taken since July 1. We will respond to whatever changing circumstances we face as they confront us.

These are challenging times for our campus, the State of Maryland, and indeed the entire nation. But a very important quality of our campus that never ceases to inspire me has been the way it comes together as a community as challenges of all kinds confront us. We have a can-do spirit and unwavering commitment to come together and move ahead together in spite of obstacles. This is another coming-together time for us, one that will again define us. We will navigate our way through these budget cuts, as well any others that may lie ahead. We will endeavor to protect our people and continue undaunted to build a great university. Working together now strengthens our bond as a community and distinguishes us as a university.

I am enormously grateful for your commitment to the mission of the University and to our community, and for your support of our efforts to steer the right course. That spirit has been the foundation of our strength through many difficult times in the past and will continue to do so going forward.

Yours sincerely,

C. D. Mote, Jr.
President