



Administrative Guidelines for Staff Furlough / Voluntary Pay Reduction For FY09

Effective: 1/30/2009

Revised: 02/13/2009

Purpose

To describe the university's guidelines for staff for the Furlough / Voluntary Pay Reduction Programs in order to address critical operating expense shortfalls caused by reduction or elimination of appropriated funds and budget constraints.

Applicability

Regular and part time classified staff, service professionals, and administrative staff for the remaining portion of FY09 year are required to participate in one of these programs. Exclusions to this must be approved by the Executive Team.

Programs

Furlough / Voluntary Pay Reduction

All employees listed in the applicability portion of this administrative guideline must participate in the program. Each participating exempt (salary) employee will have the option of choosing between the Furlough Program and the Voluntary Pay Reduction Programs. If no selection is made, the participating employee will automatically be enrolled in the Furlough Program. Each participating non-exempt (hourly) employee must be enrolled in the Furlough Program. Once an employee has selected one of these programs, changes to their election can occur through February 27, 2009. The program election is voluntary and no adverse actions will be taken against the participating employee for the program selected.

The Furlough / Voluntary Pay Reduction programs require each participating employee to take a designated number of unpaid days or equivalent hours between January 30, 2009 and June 30, 2009. The chart below identifies the number of days to be taken based on the classification. The number of unpaid days or equivalent hours to be taken will be prorated by the employee's FTE

and length of appointment (e.g., academic year versus fiscal year) or hire date if their employment began after January 30, 2009 or if their employment ends prior to June 30, 2009.

Employee Classification	Number of days must be taken
Administrative (includes all Deans and VP's w/faculty appointments)	15
Service Professional	12
Classified	10
Part-Time	Pro-rated

Requirements while on the Furlough Program:

- Each department/unit head will approve requested furlough day or days with the intent to minimize disruption of regular operations. Every effort will be made to accommodate the scheduling of furlough days at the recommended rate of one furlough day (or equivalent hours) per pay period during the effective dates of the Furlough Program. However, based upon the needs of the department/unit and/or the work duties of the employee, the head of the department/unit may direct that employees schedule furlough days in a block of time (e.g., spring break week) or in partial days (e.g., one half day per week).
- Employees cannot use vacation/ sick/ compensatory time to cover the furlough day
- Employees cannot work extra hours in the week a furlough is taken (to make up for loss of the Furlough day).
- Furlough days must be scheduled on a regular work day.
- All employees must fulfill the designated Furlough days within the programs effective dates. The program begins on January 30, 2009 and ends on June 30, 2009.
- Furlough days /hours may be taken in full day or partial day increments as established by the department/unit head to minimize disruption to regular operations of the unit.
 - Exempt employees may take furlough days in whole or half-day increments.
 - Non-exempt employees may take furlough in increments no less than 1 hour.
- Furlough Days must be recorded in HRIS PeopleSoft Time & Labor.
- Non-exempt employees may only participate in the Furlough Program

Requirements while on Voluntary Pay Reduction

- The employee can voluntarily “opt- in” to the program (as opposed to participating in the Furlough program). The employee must read and accept the self authorization found on MyASU in order to participate in the program.
- Program participants can continue to work while on the Voluntary Pay Reduction Program.
- For the mandated unpaid period, earnings are reduced by an amount equivalent to the mandated furlough day or equivalent hours.
- Furlough days must be recorded in HRIS PeopleSoft Time and Labor.
- Non-exempt employees cannot participate in the Voluntary Pay Reduction program

Duration:

The duration of these programs are determined by the Executive Team, including the President of the University, the Provost, and EVP / Treasurer, of Arizona State University. The Furlough / Voluntary Pay Reduction programs will be implemented for the period of January 30 - June 30, 2009.

New hires are required to participate in either the Furlough or Voluntary Pay Reduction Program, choice is based on their classification and the number of days or equivalent hours will be prorated based on their hire date and the remaining number of complete pay periods to the end of the program.

Employees with a termination date during the program must fulfill the required days on a pro-rated basis for the duration of their employment modeling 1 day (or equivalent hours) per complete pay period. This also includes employees who have been notified of a Reduction in Force or Non-Renewal.

Benefits:

Employer provided benefit coverage will continue without interruption; employees will be responsible for continuing to make their employee contributions for benefits.

Benefit programs which calculate participation and contribution on a salary or per pay period basis will be slightly impacted due to the non-paid furlough days or voluntary pay reduction program. Contributions made to the mandatory retirement programs will be reduced under all plans, lowering amounts directed towards ORP, investment accounts and possibly lowering ASRS and PSPRS pension benefits.

All regular leave rate accruals will continue unchanged and the Furlough / Voluntary Pay Reduction Programs will not impact service dates for any other benefit or recognition program.

Responsibilities – Key Points

Deans, Directors and Department Heads must ensure the required Furlough or Voluntary Pay Reduction Program time is taken for all participating employees in assigned units by the determined program end date of June 30, 2009.

Classes will not be cancelled and no units/services will shut down due to the furloughs without the prior approval of the Executive Team.

The Arizona Board of Regents resolution of January 27, 2009 and these guidelines take precedence over the Q&A's or any other printed or recorded messages regarding furloughs or voluntary pay reduction.

Exclusions:

The following classifications are not required to participate in the Furlough/Voluntary Pay Reduction Programs:

- Postdoctoral Scholars
- Student Workers
- Graduate Students (RA/TA)
- Faculty Associates
- Other Exclusions as approved by the Executive Team