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FY2010 Board of Regents Mandatory Furlough Program

Preamble

The Board of Regents has authorized the Chancellor to implement a Mandatory Furlough Program for University System employees in fiscal year 2010.

- All University System of Georgia employees will be required to take six (6) days of leave without pay during fiscal year 2010 under this Mandatory Furlough Program.
- Presidents are authorized to order additional furlough days if necessary to meet institutional budget reduction requirements.
- Presidents have the authority to exclude employees, by job class, from furloughs in extraordinary circumstances, as determined by the president, as well as to determine the application of furlough leave without pay to part-time or adjunct personnel.
- Presidents are authorized to set the schedule for furlough days at their institutions.
- Presidents may delegate the scheduling of furlough days to appropriate supervisors and managers.
- All furlough days will be taken in full- or half-day increments, or in other increments specified by the president. A full day of furlough leave without pay is equal to eight hours.
- *Furlough days shall not result in the cancellation of classes.*

Georgia Institute of Technology Furlough Program Procedures

I. Furlough Days:

1. The Institute will schedule four (4) furlough days during calendar year 2009 and two (2) additional days before June 30, 2010.
2. For 2009, the Institute furlough days will be December 21st – 24th and the Institute's administrative functions and services will be curtailed. It is expected that faculty and staff will be furloughed during that timeframe unless a business related exception has been requested through AVP, Human Resources and approved by the Office of the President.

The President may grant exceptions to the furlough schedule, in accordance with the following procedure:

- Employees who seek to take furlough days other than December 21-24, 2009 must obtain the approval of the unit head and assistance from their unit HR representative who is responsible for on-line entry.
 - Unit heads may request an alternative schedule for the unit in order to meet Institute business needs.
 - All furlough days must be taken in full- or half day increments.
3. The two (2) remaining mandated furlough days will be scheduled in spring 2010 and will be announced as early as practical in January 2010.

II. Benefits Impact:

1. The furlough days will not affect health benefits, voluntary benefits, or vacation or sick leave accruals. Employees will receive the same benefits otherwise afforded to them.
2. Employees will continue to accumulate annual and sick leave at their normal rates. Employees are expected to observe all paid holidays and are permitted to take paid annual and sick leave as approved. However, employees are still required to take six (6) furlough days without pay during the 2010 fiscal year and may not use other available paid or unpaid leave to avoid taking furlough days.
3. Retirement:
 - For employees covered by the Teachers Retirement System of Georgia (TRS) or the Employees Retirement System of Georgia (ERS), furlough without pay will not affect the employer or employee contributions.
 - For employees covered by the Optional Retirement System Plan (ORP), furlough will not affect employee or employer contributions. However, the Institute will offer employees covered by the ORP the opportunity to reduce the employee's contribution to the amount based on actual earnings as adjusted by the furlough. Requests for such a reduction must

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be made in writing to the Director of Payroll (jerry.job@ohr.gatech.edu).

III. Furlough Exceptions:

- Employees critical to health and safety, as determined by the President
- Employees earning less than \$24,218.90, using a sliding scale that assures no full-time employee earns less than \$23,660 (see below)

Gross Earnings	Furlough Days	Furlough Amount	Net Amount
\$ 23,751.35	1	\$91.35	\$23,660.00
\$23,843.41	2	\$183.41	\$23,660.00
\$23,936.19	3	\$276.19	\$23,660.00
\$24,029.69	4	\$369.69	\$23,660.00
\$24,123.92	5	\$463.92	\$23,660.00
\$24,218.90	6	\$558.90	\$23,660.00

- Graduate Research Assistants and Graduate Teaching Assistants
- All employees of the Georgia Tech Research Institute (GTRI)
- All non-resident alien employees working under an H-1B visa for whom furlough days would jeopardize their visa status
- For employees other than those at GTRI, whose salary is a combination of General Operations and sponsored funds, the number of furlough days will be adjusted based upon the percentage of sponsored funding in increments of no less than a half day. Note: For the purpose of this policy, sponsored funding excludes Georgia Tech Foundation (GTF) funds.

The initial calculation of furlough days will be determined by using the June 30, 2009 effort distribution data in the Institute's Certified Annual Statement of Reasonableness.

- Fiscal Year ("12-month") employees whose effort is allocated to new or existing projects will be exempted from ½ day of furlough for each 8.3% (one month) of effort allocated to a sponsored project.
- Academic Year ("9-month") employees whose effort is allocated to new or existing projects will be exempted from 1 day of furlough for each 11.1% (one month) effort allocated to a sponsored project during the academic year.
- Employees may make prospective changes, subject to authorization, in their effort allocation. Any changes in effort allocation will be reviewed to determine that (1) the individual's salary is included in the original sponsor-

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approved budget, i.e. the person is named in the “key personnel” or elsewhere in the budget, (2) the salary was budgeted, (3) the change is not greater than a 5% deviation from the approved budget amount for this budget line, and (4) the funds are still available in the project.

- Individuals requesting changes in effort charged to sponsored programs should provide documentation, including supervisor’s approval, to Grants & Contracts Accounting by October 1, 2009, which will be the basis for the final furlough allocation.

IV. Furlough Savings Plan:

- The Institute will automatically deduct one day’s pay per month for employees paid monthly or a half-day per pay period for employees paid bi-weekly during the months of September through December as a savings plan to offset the financial impact of December’s four (4) day furlough period. See the chart below for an example.
- Employees who choose to opt out of this savings plan may do so through TechWorks Employee Self Service at TechWorks.gatech.edu. Employees who opt out will have four (4) days’ pay deducted from their December pay.

EXAMPLE: BASED UPON \$55,000 ANNUAL SALARY / DAILY SALARY OF \$211.54

	Current Monthly Pay - Aug	Saving Plan less 1 Day’s Pay - Sept	Saving Plan less 1 Day’s Pay - Oct	Saving Plan less 1 Day’s Pay - Nov	Dec. Pay w/4 Furlough Days
Salary	\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33
Furlough Days/\$	–	–	–	–	4 days = (\$846.16)
Pre Tax /Taxes/After Tax Deductions	(\$1220.42)	(\$1220.42)	(\$1220.42)	(\$1220.42)	(\$977.99)
TRS	(\$240.62)	(\$240.62)	(\$240.62)	(\$240.62)	(\$240.62)
Furlough Savings Plan	–	(\$211.54)	(\$211.54)	(\$211.54)	
Furlough Savings Plan Payout	-	-	-	-	3 days = \$634.62
Net Pay	\$3,122.29	\$2910.75	\$2910.75	\$2910.75	\$3153.18
Net Effect		(\$211.54)	(\$211.54)	(\$211.54)	\$30.98

V. Temporary Employees

Hourly-paid employees shall not be assigned work or paid during any furlough period without express written permission, obtained in advance through the AVP, Human Resources.

Monthly paid employees shall be furloughed and not paid during furlough periods.

VI. Documentation and Reporting

- Units must be able to provide the following information:
 - All justification and approvals for payroll distribution.
 - Records of furlough days taken.
 - Records of approval and justification of exceptions, including but not limited to alternative furlough days for any individual.
- Units should maintain internal documentation for record-keeping purposes.
- Each unit must be able to provide the following information throughout the fiscal year:
 - Total number of employees who have participated in the furlough program,
 - Total number of furlough days, and
 - Estimated cost savings.

VII. Miscellaneous

- Employees may not grieve or appeal the mandatory furlough.

- **Employees are prohibited from working or otherwise provide services on a furlough day.** It is a violation of Institute policy to do so.