

CALIFORNIA MARITIME ACADEMY
STAFF FURLOUGH PROGRAM
Frequently Asked Questions - August 10, 2009

1. What is a furlough day?

The term "furlough day" refers to a day on which an employee is normally scheduled to work, or is in pay status, that is taken as an unpaid day. All furlough days must be taken in whole day increments.

2. Which Staff employees are covered by the Staff Furlough Program?

All MPP, confidential, non-represented, CSUEU, and APC represented employees are covered by this program, with the exception of public safety officers, employees on a leave of absence without pay, or employees on military. This is regardless of status, and includes part-time employees and emergency hires.

3. How will the Staff Furlough Program affect student employees?

Non-represented student employees are not subject to the Staff Furlough Program.

4. How many furlough days are employees required to take?

All 12 month employees will take twenty-four (24) furlough days; 10 month employees will take 20 furlough days. Part-time employees will take furlough days on a pro-rata basis, based on their time base.

5. How will the furlough days be taken?

The furlough period is for twelve months (July 1, 2009 through June 30, 2010), however, the implementation of the program for staff is for eleven months (August 1, 2009 through June 30, 2010) or shorter for those employees on cruise. In general, CMA will observe two furlough days per month, with one month (December) in which there are four furlough days. The "**2009/2010 Furlough Calendar Plan for APC, CSUEU and Unrepresented Staff**" found on this CMA website identifies those days that staff are expected to be on furlough. Some departments may need to develop individual staff furlough plans. **NOTE: Because faculty members will individually determine furlough days to be taken in consultation with their departments in order to maintain instructional integrity, there is no central furlough days calendar similar to the one for staff.**

6. How much will be deducted from my pay check each month as a result of the furloughs?

The effect of the furloughs is a wage/salary reduction of 9.23% over a 12 month period. Since the furlough program will not be implemented until the August 2009 pay period, this necessitates salary being reduced over an 11 month period which equates to a 10.07% monthly reduction for paychecks issued on September 1, 2009 through July 1, 2010.

7. What will departments need to consider if alternate furlough days are required?

If alternative furlough days are required, the department should consider:

- Scheduling no more than one furlough day in a week
- Scheduling no more than three furlough days in a month
- Scheduling the alternate day to fit within the payroll calendar for that month
- Not scheduling a furlough day on a day that is a "moved holiday" (for example the day after Thanksgiving)
- Scheduling should be in consultation with the employee.

8. **Can an employee postpone taking furlough days in order to postpone the paycheck reduction?**
No. The pay reduction will be spread evenly across your paycheck for the fiscal year 2009-2010.
9. **What happens if a staff member has not taken all furlough days by the deadline of June 30, 2010.**
The Department Head must ensure that staff members have taken the appropriate number of furlough days. The staff member's annual salary will be reduced by 10.07% through July 1, 2010 in any event.
10. **Can an employee receive unemployment benefits during furloughs?**
No. Employees are not eligible to receive unemployment benefits while on furlough.
11. **What if an employee has already volunteered to reduce their pay in the last 12 months?**
The employee should be allowed to return to their normal time base and/or schedule prior to the implementation of the furlough plan.
12. **How are part-time employees affected by the Staff Furlough Program?**
Part-time employees are furloughed on a pro-rated basis, consistent with their timebase.
13. **How does the Staff Furlough Program affect employees on a compressed schedule?**
Employees on a compressed work schedule such as a 4/10 should be converted to a 5/8 work schedule during any week that a furlough day is taken.
14. **How will the Staff Furlough Program affect intermittent employees with hourly pay?**
Intermittent (or hourly) employees will not have their pay reduced automatically through the State Controller's Office, but their hours should be reduced on a pro-rated basis. The number of days in the pay period they are allowed to work should be reduced so they can't work more than 19 days in a 21-day pay period or 20 days in a 22-day pay period.
15. **Will the campus be closed on furlough days?**
No. Individual offices may close, but the campus will remain open and classes will be in session. A calendar of staff furlough days (the "*2009/10 Furlough Calendar for APC, CSUEU and Unrepresented Staff*") is available on this website. Also available on this website is the *Campus Furlough Day Operations* chart that describes which offices are open or partially open on campus furlough days.
16. **Why doesn't the calendar reflect a furlough day for December 31?**
Traditionally the Governor has provided a paid ½ day off for either December 24 or December 31. We are notified of this just before December 24. If we identify both December 24 and 31 as furlough days, employees will not receive the benefits of this paid ½ day off granted by the Governor.
17. **Are holidays or holiday pay affected by furloughs?**
No. None of the furlough days are scheduled on holidays.
18. **What if a scheduled vacation falls on a university-designated furlough day?**
The day will be designated as a furlough day in lieu of vacation.
19. **Can Staff members substitute vacation, personal holidays, or sick leave for Staff furlough days?**
No. A Staff furlough day is a day in which a Staff unit employee is normally scheduled to work, or is in pay status, that is taken as an unpaid day off.
20. **Can overtime or CTO be used to cover work not performed as a result of furloughs?**
No. Neither overtime nor CTO may be used to provide services not rendered as a result of furloughs. *Please note that approximately 85 percent of CSU's budget goes toward salary and benefits, and the Staff and Faculty Furlough Programs have been designed to help the University in its efforts to save money close the massive budget cut.* Therefore, it is the University's intent not to authorize overtime in a week in

which a furlough day is used; duties and work responsibilities may need to be re-prioritized during the furlough period.

21. What happens to an exempt employee's status when he/she takes a furlough day?

Employees "exempt" from the Fair Labor Standards Act (FLSA) lose their FLSA exemption and become non-exempt employees for the duration of the week in which a furlough day is taken. (NOTE: This does not pertain to faculty.) Non-exempt employees are entitled to overtime pay and California Wage and Hour rules. Any time worked must be compensated, and any hours worked in excess of 40 in the furlough work week must be paid overtime at 1-1/2 times regular hourly base rate.

In an effort to achieve the savings needed to offset the massive budget deficit, managers are expected to carefully scrutinize scheduling employees to work any overtime during the furlough period. It is important that personnel actions resulting in additional money from the CMA budget such as overtime, in-range increases, and/or reclassifications be carefully thought out so that we don't jeopardize the intent and outcome of the furlough program.

22. Can I choose to work on an already scheduled Staff furlough day?

No. Staff may not work on an assigned furlough day and they will not work beyond the duties assigned for the furlough week.

23. How will workload be managed with the reduced number of work days?

Vice Presidents, Deans, and Department Heads will work with their staff and with each other to ensure that priorities, goals, and expectations are re-assessed to identify the highest priority outcomes in consideration of the work hours available.

24. Can student assistants and managers work more hours to make up for employees observing furlough days?

No. The number of student assistant hours and the number of administrators in a department should not be increased for the purpose of performing work during the furlough period. Also, for the duration of the furlough program, no additional administrators or volunteers (meaning those who did not work or otherwise volunteer in Fiscal Year 2008/2009) may perform bargaining unit duties.

25. How will Staff furlough days be tracked?

Staff must record their furlough days on the "Absence and Additional Time Worked Report" (the 634 form) every month. The completed form should be forwarded to their department timekeeper at the end of each pay period. The forms will be kept in the Human Resources Office. **The furlough days should be recorded as an "FD" in the 7(F) section of the form** found at: <http://www.csum.edu/HumanResources/Forms/Absence%20Report.pdf>.

26. How will the Staff furlough program impact my anniversary date?

The Staff furlough program will not affect a Staff member's anniversary date or constitute a break-in-service. It also will not change the seniority date of any employee.

27. How will the Staff furlough program impact my benefits?

The Staff furlough program does not impact the accrual of vacation or sick leave or the payment of health, dental, or vision benefits, or the Flex Cash Option. Eligibility for health benefits is based on time base and length of appointment. An employees' time base does not change while during the furlough period, therefore, employees will remain eligible for health benefits.

28. Will the Staff furlough program impact fee waiver benefits?

No, there is no impact on fee waiver benefits during the furlough period.

29. How does the furlough program affect CalPERS service credit for retirement?

The furlough program does not impact compensation levels for the purposes of CalPERS retirement under the current CalPERS regulations. Pension benefits will be based on the unchanged time base and salary rate that would have been credited had the employee not been furloughed. CalPERS has indicated that an

employee on a two-day per month furlough who works continuously during the entire fiscal year will earn one year of service credit. Part-time employees receive a proportionately reduced amount of service credit.

30. May I change health plans in order to reduce my monthly deductions?

Employees may make changes to their health plans **ONLY** during the annual Open Enrollment period. **Open Enrollment begins on Monday, September 14, 2009 and ends on Friday, October 9, 2009, with changes effective on January 1, 2010.** Additional information about Open Enrollment will be available in September.

31. May I make changes to my deductions on my 403(b) plan?

Employees may make changes to 403(b) plans at any time via the retirement manager link at: <https://www.aigretco.com/retireman/>.

32. May I make changes to my deductions on my 401(k) or 457 plans?

Employees may make changes to amounts deducted on 403(k) or 457 plans at any time by phone through Savings Plus Plan's Voice Response System at 1-866-566-4477, or online at www.sppforu.com.

33. Will the furlough program affect maximum vacation allowances?

No. Maximum vacation allowances are governed by systemwide policies and collective bargaining agreements.

34. Will the Staff furlough program impact those on Family Medical Leave (FMLA), Industrial Disability Leave (IDL), or Non-Industrial Disability Insurance (NDI)?

No. The Staff furlough program will not impact Family Medical Leave, Industrial Disability Leave and Non-Industrial Disability Insurance (NDI) Leave.

35. Will Social Security contributions be affected by furloughs?

Salary related deductions such as Social Security are based on a percentage of actual pay – so when your pay is reduced the contributions are also reduced.

36. Besides reducing pay through furloughs, what else is being done to address the budget deficit at Cal Maritime?

Income to Cal Maritime from recent CSU fee increases and payroll savings from furloughs will trim the original Cal Maritime figure from \$3.2 to \$1.5 million. To close the remaining gap, plus unfunded mandates, we're taking a broad range of actions including freezes on hiring and raises, strict controls on travel and other spending, including overtime, cuts to operating budgets, deferral of maintenance, dipping into already strained budget reserves and a continued search for operational and cost efficiencies.

For more information on the Staff Furlough Program refer to

- the *CSU Employee Furlough Proposal Factsheet* at: <http://www.calstate.edu/PA/News/2009/documents/furlough-factsheet.pdf>
- The CSU Paycheck calculator: http://www.calstate.edu/hrs/employment/employment_paycheck_calculator.shtml
- Questions about individual implementation of the furlough program as it affects you should be addressed to your department supervisor.
- General questions of interest to all faculty members and not addressed here can be submitted to ask-budget-employees@csum.edu and answers will be posted as appropriate.
- Contact the Human Resources Office.