

The Council on University Planning and Budget, after extensive information gathering by means of e-mail, public forums and contact with campus constituents, met on Jan. 15 to consider recommendations to me regarding a furlough policy proposal made last November. The CUPB made several recommendations which I summarize below, along with my action on the recommendation:

1. The CUPB recommended several wording changes for clarity. All these recommendations are accepted.
2. The CUPB recommended that cost savings associated with furloughs be published on the Vice President for Business Affairs Web site. This recommendation is accepted.
3. The CUPB recommended that any vice president's plan for furlough submitted to the president include projected cost savings. This recommendation is accepted.
4. The CUPB recommended that the maximum number of furlough days be "20 working days of furlough in any 12-month period," rather than 30 days in any fiscal year, as proposed in the original draft policy. The reduction of the 30-day maximum was a consistent theme in the comments received. I am reducing the maximum number of furlough days to 24. I am accepting the recommendation of the change in counting period for the maximum to "any 12-month period," rather than a fiscal year.
5. The CUPB recommended that, for clarity with respect to the sentence in the policy, "The policy applies to all employees regardless of funding source and includes the president and vice presidents," the category of grant-funded employees be stated in the policy and that any furloughs for such employees be done in accordance with grant and contract provisions. This recommendation is accepted.
6. The CUPB recommended adding the words, "after other cost savings measures have been exhausted," to the end of the first sentence of the proposed policy. That sentence reads in the original proposal: "As warranted by financial conditions including revenue shortfalls, reductions in state appropriations, or other financial emergencies, the University may implement furloughs as a temporary cost-saving measure." I have not accepted the recommendation to add the words suggested by CUPB.

Furloughs are one of several means to obtain temporary cost savings.

As is currently the case, we are committed to exploring all feasible cost savings measures in all fiscal conditions. Also, as I have publicly stated, furloughs are near the bottom of the list of measures to deal with stringent financial conditions.

The effect of the accepted recommendations results in the university Furlough Policy:

Furlough Policy

As warranted by financial conditions including revenue shortfalls, reductions in state appropriations, or other financial emergencies, the University may implement furloughs as a temporary cost-saving measure. A furlough is an unpaid leave of absence during which time furloughed employees shall not perform any of their usual and customary job duties.

In the event a furlough is deemed necessary by the President, the number of furlough days will be communicated to employees as soon as possible and every effort will be made to provide notification at least 30 days in advance. Upon consultation with the President, each Vice President will submit a plan to the President to include a list of employees to be furloughed in their area, the number of required furlough days, and the projected cost savings.

Supervisors and department heads will work with employees to schedule furlough days in a manner that considers operational need and employee scheduling preference. Employees will not be required to take more than 24 working days of furlough in any 12-month period. Salary reductions will be made according to the normal daily rate of pay for the employee's primary position as calculated by the Vice President for Business Affairs. Procedures for implementing furloughs and a summary of associated cost savings will be published and maintained on the Vice President for Business Affairs Web site.

This policy applies to all employees regardless of funding source and includes the President and Vice Presidents. Implementation of furloughs for union-represented employees, civil service personnel, and grant-funded employees will be done in accordance with established rules, statutes, collective bargaining requirements, and grant provisions.

This policy will be documented in the Internal Governing Policies of the university.

I appreciate the thorough and thoughtful work of the CUPB in gathering comments and making its recommendations. Also, I thank all who made comments or participated in the open forums; your input has led to a better policy, as well as the development of the FAQ Web site (http://www.eiu.edu/~busaff/FurloughPolicyFrequentlyAskedQuestionsFAQs_000.htm).

Bill Perry
President