Background and Scope

The financial stability of the University of Cincinnati (the “University” or “UC”) depends on its ability to balance its operating budget each fiscal year.

The University has the authority to implement an employee furlough plan to achieve spending reductions necessitated by institutional budget deficits.

This policy applies to employees who are not covered by a collective bargaining agreement that contains contrary language.

Definitions

The “Institution” is the University. “Institutional budget deficits” are deficits within the University and can include: decline in the financial resources of the University brought about by a reduction in state or federal funding; loss of revenue from endowments or investments; decline in institutional enrollment; or by other action or events that result in a reduction in the operating budget. A budget deficit may be within a college, department, program, or other division less than University-wide.

Mandatory furlough: Unpaid days and/or reduced work schedule that is required by the University.

Voluntary furlough: Unpaid days and/or reduced work schedule that is volunteered by an employee when the University has instituted a furlough.

Policy

If the President determines that the University is facing a budget deficit, a furlough plan may be implemented. The furlough plan will set forth the form of furlough and period within which a furlough will be implemented.

All furloughs taken pursuant to the furlough plan will be based on business reasons, prospectively implemented, for a designated period, and designed not to affect FLSA exempt status for exempt employees.

Mandatory furloughs are considered final and binding and not grievable under Human Resources Policy 17.01: Grievance Procedure or any other University grievance or appeal policy or procedure.
Furlough Plan Components

1. Notice and Form

Furloughs will be developed in consultation with Central Human Resources. Furloughs will be prospective and may be implemented in a manner determined by the University, which may include:

1. Employees may be furloughed in blocks of their scheduled time up to five (5) consecutive working days or forty (40) consecutive working hours off without pay, and may be for one or more blocks.
2. Employees may be furloughed for individual days, such as one day each week or each pay period.

Employees that will be affected by the furlough plan will be notified of the plans and the date of furlough implementation. Voluntary furlough time will be scheduled by the supervisor in consultation with the employee subject to the operational needs of the department or unit. Furlough time must be scheduled in a way that allows the department or unit to continue to provide a basic level of service.

Furloughs may not result in the employee being paid less than required minimum hourly wage. Furloughs must be scheduled in such a way that allows the affected employee to continue to benefits eligible.

If at the end of a period of furlough, layoffs or job abolishments are necessary, the University may do so in accordance with its policies and procedures for layoffs and job abolishments.

2. Benefits

No vacation leave, sick leave, or compensatory time will be approved in lieu of a period of furlough leave. Additionally, paid holidays or other paid time off cannot be substituted for furlough leave days. For example, if an employee is on furlough, and a paid holiday falls within the scheduled furlough leave, the employee would not be eligible for holiday pay during that time.

Healthcare, dental care, and life insurance benefits will not be affected by a furlough. Employees’ continuous UC service, review date, and employment status will not be affected by any period of furlough.

Employees will continue to accrue vacation and sick leave during a furlough prorated to the accrual for the leave.

Retirement contributions by both employees and the University will be affected by furloughs as contributions are based on actual earnings.
Employees remain responsible for making all employee contributions (i.e., healthcare, dental care, Flexible Spending Accounts, and 403(b) contributions) and all miscellaneous authorized deductions (i.e., credit union, charitable contributions, University payments).

Eligibility for unemployment benefits is not determined by the University. To determine if an employee is eligible for unemployment benefits, the employee should apply to the appropriate State office within Ohio Department of Job and Family Services.

3. Other Restrictions

Furloughed employees are not permitted to perform work for the University in the furloughed position while on a furlough leave. This requirement will be strictly monitored.

Supervisors may not permit hourly employees to work overtime in a week in which there is mandatory and/or voluntary furlough leave. Overtime must not be used to subvert furlough leave requirements.

4. Reporting Requirements

Furlough leave days shall be documented on monthly leave reports and bi-weekly timesheets as ‘Furlough Leave’ for payroll and leave records using furlough leave codes.

5. Compliance with Anti-Discrimination Laws

All federal and state anti-discrimination laws will be followed in the application of the provisions of this policy.

Related Resources:
Section 371.70.20 of Amended Substitute House Bill Number 1

Contacts:
UC Human Resources - Labor Relations and Policy Development
Phone: 513-556-6372
Email: emplabor@ucmail.uc.edu
Website: https://www.uc.edu/hr/labor-relations-policy-development.html