

## CSU/APC Furlough Program Agreement

### 1. Preamble

- a. The California State University – its employees and students – face an unprecedented reduction in the State Funds necessary to provide access and quality education to those for which the institution was founded. Although a difficult period, new opportunities are now presented for the entire University community to work together to mitigate the impact of budget reductions on both students and employees, and to establish the type of cooperative relationships which can only strengthen and improve the CSU in the future. The intent of this Agreement is to provide a framework for the implementation of furlough plans on campuses and to lessen the impact of those budget cuts on the CSU.
- b. The purpose of furloughs is to lessen the severity of layoffs by reducing compensation costs.
- c. The CSU's guiding principles with respect to this budget crisis are as follows:
  - i. To serve as many students as possible without sacrificing quality; and
  - ii. To preserve as many jobs as possible within the constraints under which the CSU is being required to operate.

### 2. Definitions

- a. The term "furlough day" as used in this Agreement refers to a day on which an employee is placed in a temporary, non-duty, non-pay status for budgetary reasons. It is mandatory, unpaid time off work. A furlough day shall consist of eight (8) hours.
- b. The term "furlough period" as used in this Agreement refers to the week in which a furlough day occurs.
- c. The term "pay status" as used in this Agreement refers to the time in which an employee is working or is on paid leave.

### 3. Furlough Days

- a. Unit 4 employees whose salary is 100% funded from grants and contracts not funded from the state general fund, shall not be subject to this furlough agreement.

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- b. Unit 4 employees whose salary is partially funded from grants and contracts not funded from the state general fund, shall be subject to this furlough program pro-rata with the percentage of funds received from the state general fund used to fund that salary.
- c. The President may designate specific furlough days as campus closure days, or partial campus closure days (including reduced administrative services days). The President or designee, after consultation with the employee, shall designate the remaining furlough days for an individual employee based upon the operational needs of the campus. For the purposes of this provision, consultation shall mean that the employee will be given the opportunity to nominate his or her furlough days other than furlough days on which the campus is closed, and that the President will give consideration to the employee's nominated furlough days in making a decision. Furloughs shall be scheduled and taken only as authorized by the appropriate administrator. Employees shall be notified of their scheduled furlough days prior to the commencement of the pay period in which they are to be taken.
- d. Requests for furlough scheduling shall be submitted in writing to the appropriate administrator at least fifteen (15) days in advance of the start of the pay-period in which the furlough day is proposed to be taken. When a request is submitted in writing, the appropriate administrator shall respond in writing, either approving or denying the request, within ten (10) days of the submission of the request. Failure to respond shall constitute a denial of the request.
- e. If a conflict in furlough requests arises, the appropriate administrator shall give consideration to the employee(s) having the longest term of service at the campus provided that operational needs are met.

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- f. 12 month Employees shall be subject to no more than twenty-four (24) furlough days between July 1, 2009 and June 30, 2010. Eleven (11) month employees shall be subject to no more than twenty-two (22) furlough days between July 1, 2009 and June 30, 2010. 10 month employees and Academic Year employees shall be subject to no more than twenty (20) furlough days between July 1, 2009 and June 30, 2010.
- g. Salary Reduction – the salary reduction equivalent to the required furlough days shall be equally distributed across the term of this Agreement.
- h. Furlough Credit – for each month in which a salary deduction is taken a corresponding furlough credit shall be given to the employee.
- i. Furlough Observance - The Furlough Program shall allow an employee to observe up to four (4) furlough days in a single designated pay period. With the exception of this one-time observance no employee shall be subject to more than two (2) furlough days in any pay period for a full-time APC-represented employee from July 1, 2009 through June 30, 2010.
- j. An employee shall not be permitted to observe more than one furlough day in a workweek with the exception of the four (4) day exception in 3(i) above.
- k. Furlough days for academic year employees shall fall on academic workdays according to the campus academic calendar.
- l. The President may use the day after Thanksgiving as a furlough day.
- m. The Furlough Program shall expire on June 30, 2010.
- n. Campuses may be closed on furlough days at the discretion of the President.
- k. At the end of the negotiated Furlough Program, the President shall ensure that all employees have taken the appropriate number of furlough days commensurate with the salary reductions that have been made.

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### 4. Employee Salary Rates and Schedules

- a. Each employees' pay reduction necessitated by furloughs shall be spread evenly over the eleven month period or over the pay periods within this eleven months for which the employee is in pay status
- b. Employees who in the last twelve (12) months volunteered to reduce their time-base shall be allowed to return to 12/12 status prior to the implementation of any furlough plan.
- c. Employees on 4/10 work schedules may be converted to 4/8 work schedules during a furlough period in which a furlough day is taken.
- d. Part-time employees shall be subject to furloughs on a pro-rated basis. Pro-ration shall be determined consistent with the employee's time base.
- e. The number of days in the pay period that intermittent employees are assigned work shall be reduced by two days so that no intermittent employee shall work more than nineteen (19) days in a month with twenty-one (21) days in that pay period or twenty (20) days in a month with 22 days in that pay period.
- f. Employees may not substitute vacation days, sick leave, CTO, or holiday credits for furlough days.
- g. It is the expressed intent of the CSU to avoid overtime during any furlough periods. Overtime must be authorized in accordance with Article 28.20 of the Collective Bargaining Agreement.
- h. Exempt employees lose their FLSA exemption during the week they take a furlough day.
- i. It is the expressed intent of the CSU that normally exempt employees should not be required to work more than thirty-two (32) hours during a furlough week during which they lose their FLSA exempt status.
- j. During the furlough period set forth in this Agreement, for full time employees in classifications listed in Appendix C, the workweek shall be an average of 40

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hours per week during any four (4) consecutive pay periods for those weeks in which employees maintain their FLSA exempt status.

- k. Furlough days do not count as time worked for determining overtime in the workweek.
  - i. In the event that any employee in non-exempt status is authorized to work in excess of thirty-two (32) hours during any furlough period for that employee, the employee shall be compensated at the employee's straight time rate up to forty hours.
  - ii. All hours worked in excess of forty (hours) in a workweek by an employee in non-exempt status shall be compensated at a rate of one and one-half times their hourly straight time rate.

### **5. Impact of Furlough Program on the APC Bonus Program, Benefits and Retirement**

- a. The Furlough Program shall not affect the previously funded amount of the bonus salary pools used to fund the Long-Term Satisfactory Service Bonus Program; the Educational Achievement Stipend Program, and the Merit Bonus Program. The percentage of monies payable under the Long-Term Satisfactory Service Bonus Program will be calculated on formulas tied to pre-furlough gross salaries.
- b. The Furlough Program shall not affect an employee's anniversary date or seniority credit or create a break-in-service. The Furlough Program shall not impact the accrual of vacation and sick leave or the payment of health, dental or vision benefits, or the Flex Cash Option.
- c. The Furlough Program shall not impact compensation levels for the purposes of CalPERS retirement and death and disability benefits under the current CalPERS regulations. These benefits shall be based on the unchanged salary rate that would have been credited had the employee not been furloughed.

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### 6. Exemptions from Furloughs

The Furlough Program does not apply to employees who are on a leave of absence without pay or on military leave. The Furlough program will not impact Family Medical Leave, Industrial Disability Leave and Non-Industrial Disability Insurance (NDI) Leave.

### 7. State-wide Labor Management Committees

- a. The parties shall form a state-wide labor-management committee to monitor the effect of furloughs on workload during the period of this Furlough Program. Both the CSU and employees shall make good-faith efforts to resolve workload issues arising out of the furlough with local campus management at the campus level before raising the issue to the attention of the state-wide committee.
- b. This labor management committee shall be formed within thirty (30) days of the execution of this Agreement. Within forty-five (45) days of the execution of this Agreement, the LMCs shall meet and schedule routine meetings thereafter.

### 8. Reduction of Maximum Number of Furlough Days

If the 2008-2009/2009-2010 reductions in state general fund support are less than those detailed in The Legislature's Conference Committee Recommendations on the Budget Bill (approximately \$583,816,000), in an amount greater than \$58,000,000, or should the CSU negotiate and implement new salary increases such as General Salary Increases or Service Salary Increases with any CSU represented bargaining unit while any APC represented employees are subject to furloughs, APC may elect to meet and confer over the maximum number of furlough days allowed under this proposal.

For the APC:

For the CSU:

J. G. Britton 7/29/09  
Date

Bill Campbell 7-29-09  
Date

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### Salary Reduction Percentages

For the purposes of making salary reductions under 3(g), the salary reduction equivalent to the required furlough days for each pay plan is as follows:

- Full-time twelve month employees – 24 days and a 9.23% percent annual reduction
- Full-time eleven month employees – 22 days and a 9.23% percent annual reduction
- Full-time ten month employees – 20 days and a 9.23% percent annual reduction
- Full-time Academic Year employees – 20 days and a 9.52% percent annual reduction