FY21 Furlough Information and FAQs for Executives and Non-represented Faculty Administrators

Updated May 4, 2021

On May 4, 2021, Interim President Pitney announced a furlough for executives and non-represented faculty in leadership roles. The furloughs will affect approximately 170 people. Please see important FAQs below for detailed information on the impact of this furlough to your pay and benefits. In summary, this is how the furlough will work:

- Your salary will be temporarily reduced during FY22 by the percentage specified in your furlough notice. This reduction will be spread throughout the fiscal year as a reduction in your bi-weekly salary.
- You must use the specified number of days (i.e. equivalent) hours as found on your furlough notice as designated Furlough Leave. You will see a new “Furlough Leave” balance in UAOnline that indicates the number of furlough leave hours to be taken.
- You can use Furlough Leave on an intermittent or full day basis. You will work with your supervisor to determine use.
- When you want to use Furlough Leave, please enter “L-Furlough Time (650)” on your web timesheet through UAOnline and enter the number of hours to be used.
- Because this furlough is a temporary reduction in pay, you will continue to accrue sick and annual leave as usual and may claim other leave during the fiscal year, if eligible (i.e. annual, sick, personal holiday, emergency sick leave, family medical leave, emergency family and medical leave expansion, administrative leave, etc.).
- You will still have university health and other employee benefits. Your benefit deductions will continue as normal.
- You will still be paid for university holidays, but at your reduced rate of pay.

What is a furlough?

A furlough is defined in University Regulation R04.07.115.A as a temporary unpaid leave for a designated period of time, or a prospective, temporary reduction in pay and equivalent work hours, imposed to meet a budgetary shortfall. Furlough plans affecting individual universities are recommended by the chancellor and approved by the president; system-wide furloughs are approved by the president. Furlough plans for exempt employees may be a temporary reduction in pay during the fiscal year; a specified number of closure or non-work days; or reduced contract periods.

Can furlough leave be used in less than full day increments?

Yes, you can use hourly increments, just like annual and sick leave. Furlough Leave should be coordinated with your supervisor similar to taking other types of leave.

How does a furlough affect PERS or TRS service credit?
A reduction in annual pay will not affect PERS or TRS service credit.

How does a furlough affect my PERS or TRS retirement benefit?

Contributions to retirement are based on the amount paid in applicable wages. If you are in the PERS (Tier IV) or TRS (Tier III) Defined Contribution plan, a furlough will reduce the amount paid into your account. For a PERS Tier I, II or III, or TRS Tier I or II member, if your service credit is not reduced, the salary reduction will not affect your retirement benefit unless you are in one of your high three (3) or five (5) for PERS Tier III) salary years. Please contact ua-benefits@alaska.edu for more information.

How does a furlough affect my ORP retirement?

Contributions to retirement are based on the amount paid in applicable wages. A furlough will reduce the amount paid into employees’ ORP accounts, but does not affect vesting in the plan.

How does a furlough affect my leave benefits?

This FY21 furlough will not reduce your FTE (full-time equivalent) status. Therefore, your annual leave and sick leave accrual will not be affected. Annual leave remains subject to a maximum accrual of 240 hours.

How does this furlough affect my health coverage and other benefit deductions?

It doesn’t as this furlough is a reduction in salary. Your deductions will continue to be withheld from each of your bi-weekly paychecks just as they are now.

How does a furlough affect my agreement to voluntarily reduce my employment?

If you have agreed to an FY21 voluntary contract reduction, that time will be deducted from your mandatory furlough. For example, if you agreed to a five-day voluntary reduction in your schedule, you would not be required to take any mandatory furlough days if you are subject to a five-day furlough. However, if for example, there is a ten-day furlough, your five-day voluntary reduction would be deducted, resulting in five mandatory days of furlough.

Are any employees exempt from this FY21 furlough?

Yes. Employees who hold H-1B visas, as defined in 20 CFR 655.731; graduate/teaching/research assistants, postdoctoral fellows/trainees, and other student employees; employees on military leave with pay; employees who perform functions essential to maintain health and safety, as determined by the chancellor or president; and employees whose compensation is derived 100% from restricted funds. Some employees with partial year contracts and with partial grant funding will have reduced furlough durations.

Can I do any work while I am taking furlough leave?
No. Employees may not work during furlough leave. Supervisors may not have any work-related communications with the employee while on furlough leave.

**How do I submit my furlough leave?**

Once the furlough is implemented, use the “L-Furlough Time (650)” leave code on timesheets. Furlough leave should be coordinated with your supervisor similar to taking other types of leave. Your FY21 furlough leave balance will be available in UAOnline.

**What if I am partially funded from grants? How do I not charge my furlough leave to the grant?**

If your salary is partially funded with restricted funding you are subject to the FY21 furlough. Please contact your fiscal or grant manager for assistance, as appropriate, to change your percent of effort. In general, furlough leave is not an allowable expense on a grant. The FY21 furlough does not apply if your compensation is 100% restricted funding.

**How do I know how much furlough leave I need to take?**

There will be a new Furlough Leave balance that you can review in UAOnline that will show the furlough hours you have taken and how much is remaining. If you put more furlough hours on your timesheet than you have available, the excess will roll into annual leave.