



MEMORANDUM #6

To: All University Faculty & Staff

From: Elizabeth A. Hardin
Vice Chancellor Business Affairs

Date: April 30, 2009

Re: Flexible Furlough Program for All State Employees—Update

As you may know, Governor Perdue signed an Executive Order on April 28 authorizing the furlough of all state employees. The university continues to seek clarity about details with officials from the offices of State Budget and Management, State Personnel and UNC General Administration. Our intent is to tell you what we know and to continue updating you as important information is available.

The Governor's mandate will result in a 0.5% (one-half of one percent) decrease in annual salary for all university employees, regardless of salary funding source. In order to minimize the effect on the employee, it is currently anticipated that for permanent EPA/SPA employees (both full and part time) this reduction will occur as three deductions during the last three pay periods of this fiscal year (May 31, June 15, and June 30). Example: An employee who earns \$42,000 will be subject to a \$210 reduction in gross earnings ($\$42,000 \times .005 = \210). The \$210 deduction spread over three pay periods will result in a \$70 reduction in gross earnings on May 31, June 15, and June 30.

Permanent full-time EPA/SPA employees will be credited with 10 hours of flexible leave which, according to the Executive Order, may be taken between June 1 and December 31, 2009. The flex leave time is pro-rated for permanent part-time EPA/SPA employees. This will be recorded as flex leave in the same method as other leave. It will not be paid out in cases of separation from the university and will be forfeited if not taken by December 31, 2009.

Non-leave earning employees, including temporary employees, are also subject to the Flexible Furlough Program. At this point, it is anticipated that temporary employees who are paid on an hourly basis will be required to reduce their hours by an amount proportionate to their average weekly hours. Formula: $\text{average weekly hours}/40 \times 10 = \text{the required reduction in hours}$. Example: Temporary employees who normally works 40 hours a week will have their hours

MEMORANDUM

Page 2

April 30, 2009

reduced by 10 during the month of May in order to be reflected on June 15 payroll. Employees who normally work 30 hours a week will have their hours reduced by 7.5 hours during the month.

The Office of State Personnel has posted a memo from the Governor, along with the Executive Order, the Office of State Budget and Management announcement, and frequently asked questions on their Web site at <http://www.osp.state.nc.us/ExternalHome/index.htm>. Please be assured that university staff are working to minimize the effect on employees while complying with the Governor 's Executive Order. Questions may be directed to Gary Stinnett, Associate Vice Chancellor for Human Resources (gwstinne@uncc.edu) or Jeanne Madorin, Director of Employee Relations, Training and Compliance (jlmadori@uncc.edu) at Ext. 7-2804.