

Calculation of Furlough Amount

General Principles:

1. Calculation must be simple and easy to understand.
2. Calculation must be applied consistently across all institutions.
3. **Calculation will be on an hourly basis** so that institutions that want to furlough by hours and those who want to furlough by days can all be accommodated consistently. A standard work day is 8 hours (though some institutions have a variable work schedule totaling 40 hours in the week).

Calculation:

1. For an employee working full time on a fiscal year basis or contract (12 months, 1 FTE), the number of work days in the year: 260. The total number of work hours is 2,080.
2. For an employee working full time on an academic year contract the number of work days in the year: 195, i.e. (260*.75). The total number of work hours is 1,560 (2,080 x .75).
3. Institutions often refer to the academic year contract as a “10-month contract”, under which a faculty member is paid in equal amounts over 10 months for work that is performed over the course of 9 months (generally early to mid August to early to mid May).

Calculation – Example Only

| | Gross Annual Earnings | Annual work days | Annual work hours | Daily Rate (\$/annual work days) | Hourly Rate (\$/annual work hours) | | Institutional furlough days | Institutional Furlough Hours | Earnings Reduction | Percent |
|--|-----------------------|------------------|-------------------|----------------------------------|------------------------------------|--|-----------------------------|------------------------------|--------------------|---------|
| Employee working full time for fiscal year | \$ 52,000 | 260 | 2,080 | \$ 200.00 | \$ 25.00 | | 6 | 48 | \$1,200.00 | 2.31% |
| Employee working full time on academic year contract | \$ 52,000 | 195 | 1,560 | \$ 266.67 | \$ 33.33 | | 6 | 48 | \$1,600.00 | 3.08% |