Dear Colleague,

I am writing to share an update with you about the University’s Furlough and Pay Reduction Program. Here is some background on the program and information on our next steps.

**Background**
In June, the University implemented a systemwide Furlough and Pay Reduction Program, which are cost-saving measures for all employees earning $60,000 or more. **Labor-Represented and Civil Service** employees are required to take a number of unpaid furlough hours during the fiscal year. **Faculty and P&A employees** received pay reductions, along with a corresponding bank of paid days off, which they have the option of taking. The furloughs and pay reductions were based on each employee's **institutional base salary**, weighted toward those with higher incomes.

The program is being implemented in **two periods**, with some variation in timing by campus to accommodate those on 9- and 10-month appointments. Before the end of the first period on December 20, 2020:

- Labor-Represented and Civil Service employees who were assigned furlough hours must schedule their remaining furlough hours in absence management by December 7 and take those hours by December 20. If employees do not schedule their furlough time by December 7, their department will schedule it for them.
- Faculty and P&A staff who have pay reductions will lose their bank of optional paid time off if it is not taken by December 20. The time off cannot be carried over to Period 2.

**Next Steps**
The second period begins December 21, 2020, and will end on June 20, 2021:

- As it stands now, furlough hours and pay reductions would be similar to the rates for the current period, and the same earnings tiers would be used as in the current program.
- The Faculty Senate and Board of Regents will review the plan for the second half of the program and what, if any, adjustments to make to furloughs and pay reductions going forward. We will follow up as quickly as possible after the December 10–11 Board meeting with more information.
- New hires after June 21 who meet the pay criteria will be included in the second half of the program.

For more information about the Temporary Furlough and Pay Reduction program, see the program’s main web page and FAQ page. As always, feel free to email or call the OHR Contact Center at ohr@umn.edu or 4-UOHR (612-624-8647 or 800-756-2363) if you have additional questions.

The University offers free and confidential financial and personal counseling, if needed, through LSS Financial Counseling and the Employee Assistance Program.

We will be in touch soon once we have final details after the December Board of Regents meeting.

Sincerely,

Kenneth E. Horstman
Interim Vice President for Human Resources