



TOPIC: Resolution of the Board of Regents of the University System of Maryland Authorizing Furloughs and Temporary Salary Reductions of Employees

COMMITTEE: Committee of the Whole

DATE OF COMMITTEE MEETING: September 18, 2009

SUMMARY: The Governor has informed the USM of the State's need to achieve additional savings to the FY 2010 budget, to be accomplished on the State level by a furlough and temporary salary reduction plan affecting State employees. The USM has been informed that it must reduce its FY 2010 budget by an additional \$26,104,195 as part of the current State plan. The attached resolution authorizes the Chancellor, in coordination with the institution presidents and in consultation with the appropriate employee organizations, to develop and implement a USM Furlough/Temporary Salary Reduction Plan in FY 2010, consistent with the following principles:

- A. The plan allows for institutions to close for a number of days in order to partially meet its budget reduction targets; however, an institution must ensure the continuation of essential services with minimum disruption to the institution, particularly with respect to the maintenance of class schedules, essential student services and institution patient care activities;
- B. Accrued annual and personal leave may be used if an institution's number of closure days exceeds the number of target furlough days for an employee. Otherwise, no annual or other personal leave may be used in lieu of a period of furlough;
- C. No overtime or compensatory time may be granted to compensate for the loss of services of furloughed employees;
- D. Under federal law, employees may not report to work on a furlough day, except in the event of an emergency; and
- E. No reduction of employment benefits, including retirement, health or leave benefits, may be required as a result of implementation of the USM Plan.

ALTERNATIVE(S): The Board could elect to alter the recommended principles.

FISCAL IMPACT: The budget target is \$26,104,195 systemwide.

CHANCELLOR'S RECOMMENDATION: That the Board of Regents approve the above referenced resolution authorizing furloughs and temporary salary reductions of employees.

COMMITTEE RECOMMENDATION:

DATE:

BOARD ACTION:

DATE:

SUBMITTED BY:
