

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%