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

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