

Memorandum of Understanding

CSU/CSUEU Furlough Program - July 6, 2009

1. Preamble

- a. CSUEU and CSU are entering into these negotiations because of the unprecedented reduction in state general fund support that the CSU is facing in both its 2008-2009 and 2009-2010 budget (an approximate \$583,816,000 reduction from the Legislature's February 2009 special session budget revisions). The intent of this Agreement is to provide a framework for the implementation of furlough plans on campuses and to lessen the impact of those budget cuts on the CSU.
- b. The purpose of furloughs is to lessen the severity of layoffs by reducing compensation costs.
- c. The CSU's guiding principles with respect to this budget crisis are as follows:
 - i. To serve as many students as possible without sacrificing quality; and
 - ii. To preserve as many jobs as possible within the constraints under which the CSU is being required to operate.

2. Definitions

- a. The term "furlough day" as used in this Agreement refers to a day on which an employee is normally scheduled to work, or is in pay status, that is taken as an unpaid day off.
- b. The term "furlough period" as used in this Agreement refers to the week in which a furlough day occurs.
- c. The term "pay status" as used in this Agreement refers to the time in which an employee is working or is on paid leave.

3. Furlough Days

- a. In order to ensure that operational needs are met, the President, in consultation with the employee, shall designate the days on which an individual employee shall observe the furlough days required by this agreement. For the purposes of this provision, consultation shall mean that the employee will be given the opportunity to nominate days on which to observe the furlough on non-campus closure furlough days.

This consultation shall take place as soon as practicable, but no later than the start of the monthly pay period in which a furlough day is to be observed. Although the President shall make the final determination based on operational needs of the campus, consideration shall be given to the employees' nominated observance day(s). In the event that operational needs require that not all employees can observe the furlough on the nominated days, the President shall prioritize requests on the basis of seniority.

- b. Twelve (12) month Employees shall be subject to no more than twenty-four (24) furlough days between August 1, 2009 and June 30, 2010. Eleven (11) month

employees shall be subject to no more than twenty-two (22) furlough days between August 1, 2009 and June 30, 2010. Ten (10) month Employees shall be subject to no more than twenty (20) furlough days between August 1, 2009 and June 30, 2010.

- c. Campuses may be closed on furlough days at the discretion of the President.
- d. It is the intent of the parties that furlough days should be distributed as equally as possible across the term of this agreement. However, the President or the employee may designate one five day furlough in an individual work-week once in a fifty-two (52) week period. With the exception of this one-time observance of five (5) furlough days, no employee shall observe more than three (3) furlough days in any pay period for a full-time CSUEU-represented employee from August 1, 2009 through June 30, 2010.
- e. The President may designate as a furlough day any of the following holidays, only if they have been rescheduled for observance on another day by the President in order to make up for the one-month delay in the start of this program.
 - i. Lincoln's Birthday
 - ii. Washington's Birthday
 - iii. Memorial Day
 - iv. Admission Day
 - v. Columbus Day
- f. The President may also designate the day after Thanksgiving as a furlough day.
- g. Employees shall receive at least twenty-one (21) days notice prior to the implementation of any furlough plan.
- h. Furlough programs shall expire no later than June 30, 2010.
- i. At the end of the negotiated furlough period, the President shall ensure that all employees have taken the appropriate number of furlough days commensurate with the salary reductions that have been made. If, due to operational needs, the President cannot assign the requisite number of furlough days, then the employee shall be credited with the appropriate number of alternate days off equal to the salary deductions made.

4. Employee Salary Rates and Schedules

- a. Each employee's pay reduction necessitated by furloughs shall be spread evenly over the eleven (11) month period or over the pay periods within these eleven(11) months for which the employee is in pay status.
- b. Employees who in the last twelve (12) months volunteered to reduce their time-base (e.g. 10/12 or 11/12) shall be allowed to return to 12/12 status prior to the implementation of any furlough plan.
- c. Employees on 4/10 work schedules may be converted to 4/8 work schedules during furlough periods.

- d. Part-time employees shall be subject to furloughs on a pro-rated basis. Pro-ration shall be determined consistent with the employee's time base.
- e. The number of days in the pay period that per diem or intermittent employees are allowed to work shall be reduced by two days so that no per diem or intermittent employee shall be allowed to work more than nineteen (19) days in a month with twenty-one (21) days in that pay period or twenty (20) days in a month with twenty-two (22) days in that pay period.
- f. Employees may not substitute vacation days, sick leave, CTO or holiday credits for furlough days.
- g. It is the intent of the CSU to avoid overtime during any furlough periods. Overtime must be authorized in accordance with Article 19, Section 19.4.
- h. Exempt employees lose their FLSA exemption during the week they take a furlough day and are treated as hourly employees.
- i. It is the expressed intent of the CSU that exempt employees should not be required to work more than thirty-two (32) hours during a furlough week.
- j. Where an exempt employee believes they have been assigned an excessive or unreasonable workload during a week in which he/she maintain his/her exempt status, the employee may file a complaint using a similar process contained in Article 8 of the Collective Bargaining Agreement. This process shall include a Chancellor's Office Level of Review. The parties shall execute a MOU fully outlining the process to be followed within twenty-one (21) days of the execution of this agreement.
- k. Furlough days do not count as time worked for determining overtime in the workweek.
 - i. In the event that any employee is authorized to work in excess of thirty-two (32) hours during any furlough week, he/she shall be compensated at the employee's straight time rate up to forty (40) hours.
 - ii. All hours worked in excess of forty (40) hours in a workweek shall be compensated at a rate of one and one-half times his/her hourly straight time rate.
 - iii. In the event an employee is scheduled to work outside of their normal five-day workweek as a result of observing a furlough day, such time shall be considered call-back pursuant to Article 19, sections 19.17 and 19.18.

5. Work Jurisdiction

During the period of the furlough, the number of student assistant hours and the number of administrators in a department shall not be increased for the purpose of performing bargaining unit work.

6. Impact of Furlough Programs on Benefits and Retirement

- a. Furlough Programs shall not adversely affect an employee's anniversary date or seniority credit or create a break-in-service. Furlough Programs shall not impact the accrual of vacation and sick leave or the payment of health, dental or vision benefits, or the Flex Cash Option.
- b. Furlough Programs shall not impact compensation for the purposes of retirement and death and disability benefits. These benefits shall be based on the unchanged salary rate that would have been credited had the employee not been furloughed.

7. Exemptions from Furloughs

- a. Designated employees who perform the work of public safety positions (such as dispatchers and community service employees), regardless of their job classification, shall be exempt from any Furlough Programs. A list of such exempted classifications and/or employees shall be prepared and appended to this agreement.
- b. The Furlough Program does not apply to employees who are on a leave of absence without pay or on military leave.

8. State-wide Labor Management Committees

- a. Pursuant to Article 27, the parties shall form a state-wide Labor-Management Committee (LMC) to monitor the effect of furloughs on workload during the period of this agreement. The parties recognize, however, that both the CSUEU and employees should make good-faith efforts to resolve workload issues arising out of the furlough with local campus management at the campus level before raising the issue to the state-wide committee's attention.
- b. Pursuant to Article 27, the parties shall form a state-wide Labor-Management Committee to explore cost-saving measures that lessen the effects of cuts to the CSU budget.
- c. These two labor management committees shall be formed within thirty (30) days of the execution of this Agreement. Within forty-five (45) days of the execution of this Agreement, the LMCs shall meet and schedule routine meetings thereafter.

9. Reduction of Maximum Number of Furlough Days

- a. If the 2008-2009/2009-2010 reductions in state general fund support are more than \$58,000,000 less than those detailed in the Legislature's Conference Committee recommendations on the budget bill (approximately \$583,816,000), or should the CSU negotiate and implement new salary increases with another employee group such as General Salary Increases or Service Salary Increases while any CSUEU-represented employees are subject to furloughs the CSUEU may elect to meet and confer over the maximum number of furlough days allowed under this proposal.

For the CSUEU:

Garrett Laxer 7 July 2009
Date

For the CSU:

Bill Campbell 7-7-09
Date

For the CSUEU:

Quinn Martin 7/7/09
Date

For the CSU:

Date

For the CSUEU:

Richard Berry 7/7/09
Date

For the CSU:

Date

For the CSUEU:

Heaven Cunningham 7/7/09
Date

For the CSUEU:

[Signature] 7/7/09
Date

For the CSUEU:

Kerry Freese 7/7/09
Date

For the CSUEU:

Loretta Swornicki 7/7/09
Date

For the CSUEU:

Dennis Schubert 7-7-09
Date

For the CSUEU:

Bob Kutt 7/7/09
Date

For the CSUEU:

Flora Brewer
7 July 2009
Date

For the CSUEU:

Butch Orndorff 7/7/09
Date

For the CSUEU:

Russell T. Kilday Hicher 7/7/09
Date

For the CSUEU:

M. Bant 7 July 09
Date

For the CSUEU:

Date

For the CSUEU:

Date