CoP Summer furlough and reduced effort process

Process:

- Eligible staff voluntarily identify as willing to take a furlough or reduced hours
  - Eligible: Regular staff, research staff, research track faculty & postdoctoral research fellows.
  - International Employees in H-1B, E-3 and H-1B1 please review the eligibility details:
    - Voluntary Furlough Program International employees: in H-1B, E-3 and H-1B1 status are subject to the specific conditions of employment as outlined in their immigration documents, including the number of hours worked. Therefore, individuals in these statuses are not eligible to participate in the voluntary furlough program, though they continue to be eligible for other types of voluntary leave initiated by the employee, e.g. FMLA. For such voluntary types of leave, it will need to be documented that the leave is due to conditions that are unrelated to employment that take the individual away from their duties or that render them unable to work, and is at their voluntary request and convenience.
    - Voluntary Effort Reduction Program International employees: in H-1B, E-3 and H-1B1 status are eligible to participate in the voluntary effort reduction program. However, before the effort percentage can be changed from full-time to part-time (and vice versa), a petition must be filed with USCIS by FSIS. In other words, a petition must be filed to reduce the number of hours worked and another petition will be required to return to full-time effort. The cost associated with each of these petitions are the responsibility of the unit. The employee may reduce their hours or return to their original hours as soon as the relevant petitions are filed and the effective dates reached.
  - Talk with your supervisor and see how this might work for you and your work
  - Fill out the google form HERE to notify CoP HR of interest (cop.humanresources@umich.edu)
    - https://docs.google.com/forms/d/e/1FAIpQLScIP5qP_wISiCvJ9xTsaBHluqTWFzBzmMKYUA_sYLpTs6Hw/viewform?vc=0&c=0&w=1&pli=1
  - Supervisor will review workload and request, and make a determination if the proposal is viable (non-critical work, ability to defer their work until return, ability of others to pick up their work)

Requests must be made by noon on May 7, 2020 (due to university HR on 5/8). Approved voluntary furloughs and reduced hours can start upon unit approval but no later than May 30, 2020. Please note, you may request to use your accrued vacation time for a short period of time up until May 28th, provided your voluntary furlough begins prior to the May 30, 2020 deadline.

Furlough, full time

- For period between 60 and 120 days
  - Request cannot be made for less than 60 days and NO more than 120 days
  - Qualify for unemployment benefits, including CARES act additional plus up
    - Currently the additional CARES act additional plus up is only extended through 7/25/2020. (see below)
- Employee will return to their position and regular effort at end of the furlough
- University health benefits continue and UM pays the employee premium as well as the University share
- During the temporary furlough period, the staff member:
  - Does no work for the unit and receives no pay
  - Remains a university employee
  - Is eligible to file for unemployment compensation
  - Does receive continued university benefits
Does continue to receive the university contribution toward their benefit plans (health, dental, long-term disability, life), and the university also will pay the monthly employee contribution for health insurance.

- **Benefits**: Upon return from furlough, the accrued employee contribution portions of the dental, life, LTD, legal and vision premiums for the period of absence would be deducted from pay. The employee portion of the health care premium is waived for the period of absence and will not need to be paid upon return. There will be no university contributions to the retirement savings plan on reduced hours or during the period of furlough.

- Retains accrued vacation and sick time (additional time will not accrue).

### Temporary reduction in hours

- For period between 60 and 120 days
- Effort must remain at or above 50% to retain benefits and university contributions
- Position will return to regular effort at end of reduction period
- During the temporary period of reduced hours, the staff member:
  - Reduces weekly work hours (effort) by 15 to 50 percent (as agreed upon).
  - Continues benefits (with appointments remaining at or above 50 percent effort) at the same premium rates paid before reducing hours.
  - Accrues vacation (or PTO) at reduced effort.
  - Receives other paid-time-off benefits prorated to the reduced effort (holidays, funeral days, etc.).

### Additional terms:

- **Unemployment**: A claim for state unemployment compensation will not be contested by the university unless the employee was offered and declined redeployment to another position. Eligibility for and the amount of unemployment benefits are determined by the state of Michigan. (The current maximum state weekly benefit is $362 and may include an additional weekly supplement of $600 from the Federal CARES Act through July 25, 2020.)
- **Job security**: The unit will hold a position for the employee to return to at the end of the approved period, including any extensions. If business circumstances change to such an extent to indicate a Reduction-in-Force is warranted, the relevant policy/contract language would apply.
- **Paid time off**: The employee’s regular available paid time off balances will be maintained. Emergency COVID-PTO banks will no longer be available to those who take a furlough. The federal Emergency Paid Sick Leave Act (EPSLA) paid time off bank will remain available until program expiration on December 31, 2020.
- **Early recall**: If university operations require early recall from voluntary furlough or reduction in hours, a minimum of one-week notice will be provided.

### Additional Information provided by University HR

**Taxes**: The university's payroll website has information on [taxes](#), specifically on 2020 tax information and [calculating your taxes](#).

**Unemployment Compensation**: Information from the [Michigan UIA](#) about how unemployment benefit is calculated and a [video](#) on the UHR website about monetary determination with general information.

Michigan law requires we consider wages you have earned over the last 18 months in calculating your weekly benefit amount. The maximum entitlement is a weekly benefit amount of $362 per week. Under Executive Order 2020-24, the maximum entitlement for weeks of benefits for existing claims as of 3/15/2020 and new claims filed between 3/15/20 and 4/18/20 is 26 weeks. In addition to changes under
EO 2020-24, Congress enacted the Relief for Workers Affected by Coronavirus Act (Act). In addition to the temporary measures enacted by Governor Whitmer, the Act does the following:

- Adds 13 additional weeks of unemployment benefits in Pandemic Emergency Unemployment Compensation (PEUC) to the 26 weeks of benefit entitlement under EO2020-24, for a total of 39 weeks of benefits payable.
- Adds an additional $600 per week of Pandemic Unemployment Compensation (PUC) to the weekly benefit amount payable. This amount is payable for weeks of benefits between 3/29/2020 – 7/25/2020.
- University HR Unemployment Insurance Benefit Resources:
  - https://hr.umich.edu/working-u-m/management-administration/records-management/unemployment-insurance-benefits-resources

Fact Sheet: Claiming Unemployment Benefits in Michigan

Fact Sheet: Claiming Underemployment Benefits in Michigan

**Paid Time Off Options:** Read about available paid time off programs related to COVID-19
### Employee Benefits During Furlough, Reduction or Paid Time Off

<table>
<thead>
<tr>
<th>Impact of Furloughs, Reduction in Hours and Time Off Programs on Employee Benefits</th>
<th>Voluntary Furlough</th>
<th>Voluntary Reduction in Hours</th>
<th>E-FMLA (child care)</th>
<th>Emergency Paid Sick Leave Act (EPSLA) or COVID Paid Time Off</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Duration</strong></td>
<td>60-120 days</td>
<td>60-120 days</td>
<td>12 weeks (60 days) maximum</td>
<td>160 hours (20 days) maximum</td>
</tr>
<tr>
<td><strong>University Pay</strong></td>
<td>No</td>
<td>Yes at percentage of effort</td>
<td>Yes at 2/3 pay</td>
<td>Yes until available balance exhausted</td>
</tr>
<tr>
<td><strong>Unemployment Eligibility</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Maintain Health Insurance</strong></td>
<td>Yes and U-M will pay the employee contribution</td>
<td>Yes if employee maintains at least 50% effort</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>University Contributions to Retirement Savings Plan</strong></td>
<td>No</td>
<td>Yes at percentage of reduced salary</td>
<td>Yes at percentage of reduced salary</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Employee Contributions to Retirement Savings Plan</strong></td>
<td>No</td>
<td>Yes at percentage of reduced salary</td>
<td>Yes at percentage of reduced salary</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Maintain Other University Benefits</strong></td>
<td>Yes but employee must repay employee contribution for dental, long-term-disability, life insurance</td>
<td>Yes and employee pays same premium rate paid before reducing hours</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Service Credit Toward Retirement</strong></td>
<td>Yes if returned to an active appointment (Cannot retire from furlough unless already eligible)</td>
<td>Yes unless appointment is less than 50% for more than 1 year (If an employee works at least 80% for one day, they receive full service credit for the year)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Accrue Additional Vacation/PTO</strong></td>
<td>No</td>
<td>Yes at reduced effort</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>