

Office of Research Services and Sponsored Programs

The Mandatory Furlough Program and the Impact on Sponsored Programs

Summary:

The Mandatory Furlough Program implemented by the Board of Regents on August 12, 2009, requires all University System of Georgia employees to take six days of leave without pay during fiscal year 2010. As described in the Mandatory Furlough Program Procedures:

“This program applies to all USG employees regardless of source of funds, or place of work, including staff, administrators, faculty and all other employees in classified and unclassified positions, including, but not limited to, time-limited, intermittent, temporary employees, and new hires.”

President’s Cabinet has provided a special exemption for employees that are funded 100% from sponsored funds (grants, contracts and other externally-funded programs). This special exemption is not applicable to split-funded (partially state-funded) employees and all other employees partially supported by sponsored funds are subject to the Mandatory Furlough Program, unless there is a specific contractual obligation of the award that prevents a reduction in effort. The 6-day reduction in effort during Fiscal Year 2010, in most cases, is not significant enough to require sponsor approval. The ORSSP will identify any such awards that require pre-approval by the sponsor and proceed accordingly.

More information can be found on the Employment website of the Board of Regents of the University System of Georgia: <http://www.usg.edu/employment/>

Frequently Asked Questions:

Since dollars saved on sponsored programs cannot be returned to the State to contribute to the budget cuts, why are employees paid from those funds required to take furloughs?

Sponsors expect, and federal sponsors mandate, institutions to have policies in place regarding the payment of salary and wages for employees which are consistently applied regardless of the source of funds, and that reflect no more than the percentage of time actually devoted to the project.

Will the State take the sponsored funds saved through furloughs?

The State is not asking for these funds, nor could the University legally provide sponsored funds to the State if asked. Since the State of Georgia has the legal authority to impose furloughs on employees, sponsors would not have a basis to object to such a policy as long as the policy does not violate the terms and conditions of the grant or contract.

What will happen to the “salary savings” remaining as part of my sponsored program?

The savings from employee furloughs will remain in the appropriate sponsored program account and will be available to the principal investigator for use under the terms of the award.

Most sponsors provide the University the flexibility to adjust budgets and to use the money saved from furloughs in other ways, such as additional student support, supplies, or even to extend the period of the performance of the program. In situations where the University does not have that flexibility, the University will request permission from the sponsor, as applicable.

Can I charge the sponsored program for salary that normally would have occurred during furlough days?

Charging a sponsored program for effort during the furlough period (when effort is not expended on the project) would be in violation of federal regulations. Nor can funds be used to supplant earnings and allow for effort to be charged during this period. Funds will, however, remain available for principal investigators to fulfill project objectives, and expenses should continue to be applied to the project when work resumes. Please remember that the University continues to have an obligation to fulfill project objectives and the program's scope of work, regardless of the furlough period.

Can the principal investigator or other project personnel be exempt?

The University has provided adequate notice so that principal investigators and project personnel may adjust project schedules in anticipation of scheduled furlough dates. It is expected that there will be few, if any, cases where the furlough requirement will have any significant impact on any award. In most cases there will be no more of an impact than when an employee takes vacation and/or sick leave.

Project personnel supported by sponsored funds who believe the impact of furlough days will irreversibly jeopardize the satisfactory completion of the project during a project's funding period, or who must work on their projects during the furlough for specific and unavoidable project-related reasons, should contact the Associate Vice President for Research and their Dean. Any request for an exemption must show, beyond a reasonable doubt, that adequate planning and precautions cannot be taken well in advance of the designated furlough days to accommodate the program, and that the furlough days will result in adverse impacts to the program which may result in failure to meet the contractual goals of the award. The AVP for Research and Dean will review the request, the circumstances surrounding the request, as well as the terms and conditions of the award. If the request is reasonable, it will be forwarded to the Provost and onto the President's Cabinet for consideration.

If I am supported 100% by sponsored funds, do I need to do anything to be exempt?

The University has identified all employees that are supported 100% from sponsored funds and whose salaries exceed the threshold for exemption by annual salary. The President's Cabinet will consider these requests as part of the normal review/approval of exemption.