

Voluntary Temporary Reduction Scenarios (FY 2020-2021)

WWU Human Resources

Overview

There are two types of employee-initiated voluntary reduction options. The scenarios provided in this guide apply only to permanent employees. Examples of these two types of voluntary reductions are provided in the charts below.

- **Voluntary Appointment Percentage Reduction:** a consistent reduction to the number of hours you work each week for a temporary period of time (no less than one week), based on a 40-hour workweek. (40 hours/week = 100% appointment percentage, 20 hours/week = 50% appointment percentage)
- **Voluntary Furlough:** unpaid time away from work, continuous or non-continuous, for a temporary period of time based on the rules of the employee's collective bargaining agreement or handbook

Employees may also be eligible for the [SharedWork](#) program through Washington's Employment Security Department. The program allows employers to reduce hours by as much as 50 percent, while their employees collect partial benefits to replace a portion of their lost wages.

Additional Considerations

- Employees have the opportunity to use 8 hours per month of accrued leave time in order to maintain benefits
- Vacation leave, sick leave, personal leave day, personal holiday, winter break day, community service leave day, or holiday compensation accruals will not be affected by time spent on furlough
- Seniority dates, applicable periodic increase increment dates, or previously agreed-upon across-the-board salary increases will not be affected by time spent on furlough
- Employees are eligible to seek job opportunities or promotions while on furlough
- Probationary or trial service periods may be extended if time spent on furlough impacts the department's ability to assess the employee's ability to perform the full scope of the role
- Significant reductions in hours worked may impact eligibility for Family and Medical Leave Act coverage
- Employees considering a temporary reduction should consult with Human Resources to understand the impact to benefits based on their individual situation

Voluntary Appointment Percentage Reduction Example

The employee will...	Eligibility based on FLSA status: OT Exempt or Non-exempt?	Retirement Impact	Additional Considerations
<p>Reduce their workweek from five, 8-hour days to three, 8-hour days.</p> <p>(This is equal to a reduction from 100% to 60%)</p> <p>OR</p> <p>Reduce their workweek their workweek from five, 8-hour days to five, 4-hour days</p> <p>(This is equal to a reduction from 100% to 50%)</p>	Both	<p>Significant impact to DRS plan 3 and WWURP contributions.</p> <p>Could potentially reduce service credit towards retirement for DRS Plans 2 and 3.</p>	<p>In addition, work schedules of overtime eligible employees, whether exempt or nonexempt, must be updated to reflect the change in weekly scheduled hours</p> <p>Overtime-eligible staff, whether exempt or nonexempt, who work beyond their new scheduled hours may be eligible for additional pay above schedule depending on their CBA or federal overtime law.</p> <p>May be eligible for unemployment compensation¹ or SharedWork² program</p> <p>If FLSA exempt, FTE x base wage must not drop an exempt employee's actual gross wage below \$684 per week through 12/31/2020, or \$965 per week on and after 1/1/2021.</p>

¹ WA State unemployment compensation falls between \$188-\$790. CARES Act provides an additional \$600/week until July 24. Employees who are approved for WA State unemployment will get an amount based on their normal income, and if that amount is at least \$1 per week, they will also automatically receive an additional \$600/week.

² Employees who reduce their hours to up to 50% may be eligible for partial unemployment benefits through the SharedWork program through the WA State Employment Security Department. Compensation through SharedWork falls between \$201-844, depending on earnings. Please review the [SharedWork payment calculation chart](#) for more info.

Voluntary Furlough Examples

The employee will...	Eligibility based on FLSA status: OT Exempt or Non-exempt?	Retirement Impact	Additional Considerations
Take 1 month off, work 1 month, take another 1 month off later	Both	<p>Significant impact to DRS plan 3 and WWURP contributions.</p> <p>Reduces service credit towards retirement DRS Plans 2 and 3.</p>	<p>All furloughs of FLSA exempt staff must occur at the start of an FLSA workweek (Monday) and last the whole week.</p> <p>May be eligible for unemployment compensation.</p> <p>Furloughs for employees in project positions or opportunity appointments may not extend beyond the end of the appointment or be used to extend the appointment.</p>
Take 2 weeks off per year	Both	<p>Moderate impact to DRS plan 3 and WWURP contributions.</p> <p>Impacts service credit towards retirement for DRS Plans 2 and 3.</p>	<p>All furloughs of FLSA exempt staff must occur at the start of an FLSA workweek (Monday) and last the whole week.</p> <p>May be eligible for unemployment compensation</p>
Take a total of 10 days off, scheduled intermittently over a year	Non-exempt only	<p>Moderate impact to DRS plan 3 and WWURP contributions.</p> <p>No impact to service credit unless appointment percentage reduction goes below 50%.</p>	<p>In addition, work schedules of overtime eligible employees, whether exempt or nonexempt, must be updated to reflect the change in weekly scheduled hours</p> <p>Overtime eligible staff, whether exempt or nonexempt, who work beyond their new scheduled hours may be eligible for additional pay above schedule depending on their CBA or federal overtime law</p>

May be eligible for unemployment compensation

However full-time workers whose hours of work are reduced by one work day each week usually will not be eligible for partial unemployment benefits because they earn too much in the week to be eligible.

If FLSA exempt, FTE x base wage must not drop an exempt employee's actual gross wage below \$684 per week through 12/31/2020, or \$965 per week on and after 1/1/2021.