**3356-3-11.2 Budget-deficit options applicable to excluded employees.**

Previous Policy Number: 3014.00

Responsible Division/Office: Finance and Business Operations

Responsible Officer: VP for Finance and Business Operations

Revision History: November 2011; June 2016

Board Committee: Finance and Facilities

**Effective Date:** **June 15, 2016**

Next Review: 2021

(A) Policy statement. The university is committed to creating a balanced budget and operating efficiently within the confines of such budget. The board of trustees is empowered to do all things necessary for the creation, proper maintenance, and successful continuous operation of the university. This policy, therefore, allows for cost-saving measures to be implemented by the board of trustees throughout the year in order to achieve spending reductions necessitated by institutional budget deficits.

(B) Purpose. The purpose of this policy is to provide for employee cost-sharing measures in order to achieve spending reductions due to a significant operating budget deficit. Employee cost-sharing measures include, but are not limited to, furloughs, layoffs, and employee transfers or unit reorganizations that achieve spending reductions. This list does not operate to exclude other cost-saving measures. A budget deficit is caused by a loss of state funding, a decline in institutional enrollment, or other actions that affect the operating budget in a significant manner.

(C) Definitions.

(1) A “furlough” is unpaid leave of absence from work for a specified period of time. Employees shall not work when taking furlough leave. Employees shall not use accrued paid leave during periods of furlough.

(2) “Layoff” is the permanent (lasting for more than nine months) deletion of a position from the organizational structure of the university.

(3) “Employee transfer” is the movement of an employee from one position to the same position in another work unit without a change in pay.

(4) “Unit reorganization” is the reassignment of duties among various positions within a work unit, i.e., combining job duties in an attempt to reduce staffing size while continuing to maintain efficiency without posting positions pursuant to rule 3356-7-42 and rules 3356-9-01 and 3356-9-02 of the Administrative Code. (Corresponding university policies 3356-7-42, 3356-9-01 and 3356-9-02 can be found at <http://cms.ysu.edu/administrative-offices/university-policies/university-policies>.)

(D) Procedures.

(1) If the vice president for finance and business operations determines that a significant operating budget deficit exists, he or she shall meet with the president to discuss the details of the budget. As necessary, the vice president for finance and business operations shall make a report to the appropriate campus constituencies, which may include the president’s executive management team, the board of trustees, and the academic senate.

(2) If after such consultation, the president has reason to believe that a significant operating budget deficit exists, the president may recommend cost-saving measures to the board. The board of trustees may, after receiving such report, approve the implementation of cost-saving measures.

(a) Employees who belong to a collective bargaining group should consult their agreements.

(b) This policy supersedes all policies to the contrary and applies to all university employees, whether full- or part-time, externally funded, and temporary.

(c) Healthcare, dental, and life insurance will not be affected by furlough leave.

(d) Employees will be required to continue to make all contribution payments to healthcare, dental care, life insurance, deferred compensation, flexible spending accounts, as well as all voluntary deductions, such as credit union, charitable contributions.

(e) Employees will be given at least thirty calendar days’ notice prior to the start of a required furlough leave.

(f) Retirement contributions will be affected by furlough leave because contributions are calculated based upon actual earnings. However, an employee’s continuous service credit and review or evaluation date will not be affected by a furlough leave.

(g) The implementation of employee cost-sharing measures or any other application of this policy may not be appealed under any other university policy or internal grievance process.