

**Resolution on Process to Determine Necessity of Furloughs**  
**Executive Committee**  
**Approved October 18, 2010**

**Whereas** the University is developing a policy that would allow it to furlough employees in order to address a short-term operating deficit; and

**Whereas** the University already has a process (Appendix A) to determine whether a financial crisis necessitates the declaration of a state of financial exigency (*Faculty Handbook* II.D.4.d.i-iii); and

**Be it resolved** that the process to determine the necessity for enacting a furlough should resemble the already existing policy to determine the need for declaring financial exigency. The draft furlough policy circulated to the campus should be revised to read as follows:

**5. Consultation Regarding the Need for a Furlough**

- a. If circumstances suggest that a significant operating budget deficit may have developed or is developing, the President shall charge the Budget Planning Council with investigating the need for implementing a furlough. The Council shall issue a recommendation and report to the President within ten (10) calendar days of receiving its charge.
- b. The President's recommendation for a furlough, along with the report from the Budget Planning Council, shall be considered by the Executive Committee of the Board of Trustees, which shall determine whether a furlough be implemented.

**Be it further resolved** that this resolution, if approved, should be forwarded directly to the Board of Trustees.

## **Appendix A**

### *Faculty Handbook (II.D.4.d.i-iii): Process for Determining Financial Exigency*

- i. After informing the Trustees of the approaching financial crisis and before proposing a state of financial exigency, the Administration of the University, in consultation with the Faculty and Administrative Senates, shall propose and carry out all possible reductions of University activities that are not of primary importance to the educational mission of the University.
  
- ii. If the reductions undertaken in (i) do not resolve the problem, the President shall appoint a committee to investigate the need for declaring financial exigency. The majority of the committee shall be faculty members chosen by the Faculty Senate, but it shall also contain administrators chosen by the Administrative Senate and students chosen by the Student Senate. This committee shall issue its report within four weeks of its creation.
  
- iii. The committee report, along with any recommendations from the Faculty, Administrative and Student Senates, shall be considered by the Trustees before determining whether a state of financial exigency exists.