

1. Will the .5% decrease be a before tax or after tax deduction? **Before (the gross pay).**
2. How should we handle employees leaving the payroll through retirement or resignation on May 15th, June 1, or June 15th? **Take 0.5% of annualized pay, regardless of departure date. If departure is in May, the 0.5% would all be deducted in the May paycheck.**
3. Could we get an exception to the June 1 start day for furlough use so that we could adjust our Holiday Schedule to use the Memorial Day holiday as the 10 hour furlough period (releasing employees at 3:00 pm Friday, May 22nd , and using Monday, May 25th)? **The UNC Board of Governors establishes the rules for time off in the UNC System consistent with Executive Order 11. The State Board of Education requested the authority to allow time off to begin May 1 rather than June 1 and the Governor's Chief Legal Counsel wrote a letter to the State Board Chair to allow a May 1 start date. If the UNC Board of Governor's wants to request the same exception, a request should be sent to the Governor's Chief Legal Counsel.**
4. Will we be expected to cut hours for hourly employees to accomplish the pay cut? **For hourly employees, the reduction can be handled by: (1) annualizing the pay and reducing the hourly rate (preferred); or (2) if reducing the pay is not possible, by reducing the equivalent number of hours.**
5. Military differential pay is not addressed. We understand that this type of pay was addressed in an earlier draft and excluded. **Military differential pay is excluded from the Flexible Furlough program.**
6. There is no clarification about whether the transferring or receiving agency takes or shares the reduction for an employee who is transferring from one state agency/university to another. **The deduction is taken by the receiving agency. If the transfer occurs by May 1, the receiving agency deducts the entire 0.5%. If the transfer occurs June 1 or after, the transferring agency already made a deduction in May, so the receiving agency deducts the balance in June. For the June deduction, the transferring agency must factor in any deductions by the transferring agency to ensure that the employee's base pay is not reduced by more than 0.5% overall.**
7. We would like a statement that summer school pay that is in addition to a faculty member's base rate of pay is not included. **Base pay calculations should include all compensation received during May and June 2009. The calculation also should include July and August 2008 payments. However, supplemental pay paid for self-supporting summer courses (where costs are 100% supported from student tuition and fees) would not be included as part of the furlough program.**
8. For H1B visa holders, the response should say the reduction cannot take the employee below the prevailing wage rate. **For employees on H1B visas who were hired at the prevailing wage rate, no deduction will be taken from their pay**

check. For employees on H1B visas who were hired above the prevailing wage rate, the .5% deduction will be made from their May and June paychecks. The reduction cannot take the employee below the prevailing wage rate.

9. We understand that the Public School System was granted an exception to allow employees to begin taking time off in May. If that is the case, are UNC employees allowed to do the same? **The UNC Board of Governors establishes the rules for time off in the UNC System consistent with Executive Order No. 11. The State Board of Education requested the authority to allow time off to begin May 1 rather than June 1 and the Governor's Chief Legal Counsel wrote a letter to the State Board Chair to allow a May 1 start date. If the UNC Board of Governor's wants to request the same exception, a request should be sent to the Governor's Chief Legal Counsel.**
10. If you code postdocs (trainees, fellows, etc.) as students, then we assume they should be exempt from the reduction. **Since postdocs are not students, they should be treated as employees and subject to the annualized deduction.**
11. Do temporary employees receive time off. We understand that an earlier draft specifically excluded temps from receiving time off. **Preference would be to manage temporary employee situations just as the agency/campus manages hourly employee situations by: (1) annualizing the pay and reducing the hourly rate (preferred); or (2) if reducing the pay is not possible, by reducing the equivalent number of hours.**
12. If you have an adjunct/temporary faculty member who has completed his or her teaching obligation for the academic year but will receive a final paycheck at the end of May, must the full .5% of annualized salary (6%) be taken at the end of May? It is important to note that there is no way that these individuals will be able to take their 10 hours of time off since they have already fulfilled their teaching obligation for the academic year and are no longer on campus. **The agency/campus should compute the annualized salary for the fiscal year period and make the 0.5% deductions in May and June. But if the last paycheck is in May, the entire 0.5% annualized deduction should be taken in May.**