

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

PROCEDURE

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TITLE: HIGHER EDUCATION MANDATORY FURLOUGH PROGRAMS

POLICY
REFERENCE NUMBER: 8-1-102

DIVISION
OF RESPONSIBILITY: Human Resource Services

DATE OF LAST REVISION: July 13, 2023

DISCLAIMER

PURSUANT TO SECTION 41-1-110 OF THE CODE OF LAWS OF SC, AS AMENDED, THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE SC STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION/THE SC TECHNICAL COLLEGE SYSTEM. THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION/THE SC TECHNICAL COLLEGE SYSTEM RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.

I. PURPOSE

The following procedure establishes the guidelines by which the South Carolina Technical College System may maximize personnel savings by instituting a mandatory furlough. The Higher Education Mandatory Furlough Program is contingent upon the College meeting legislative guidelines stipulated in state law and in the annual General Appropriations Act. The College may implement a Higher Education Mandatory Furlough based on agency procedure, state and federal law, and applicable South Carolina Department of Administration's Division of State Human Resources (DSHR) regulations.

II. DEFINITION

A mandatory furlough is a work arrangement whereby employees are mandated to take a leave of absence from work without pay for a specified period.

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III. COLLEGE ELIGIBILITY¹

- A. The College President may institute a Higher Education (HE) Mandatory Furlough in a fiscal year in which the general funds appropriated for the institution of higher education are less than the general funds appropriated for that institution in the preceding fiscal year, or whenever the General Assembly or the Executive Budget Office implements a midyear across-the-board budget reduction.
- B. The College President for institutions of higher education and the State Board for Technical and Comprehensive Education, through policy and procedure, may institute employee furlough programs.
- C. A Higher Education (HE) Mandatory Furlough cannot be enacted if the College's reduction is due solely to the General Assembly transferring or deleting a program.
- D. The College shall develop a plan consistent with agency procedure, state and federal law, and DSHR guidelines.
- E. Individual colleges wishing to implement a HE Mandatory Furlough must submit the plan through the System Office Human Resource Services Division for DSHR approval prior to implementation.

IV. PARTICIPATION ELIGIBILITY

- A. Employees in full-time equivalent (FTE) positions, time-limited positions, temporary grant positions, and temporary positions are subject to the HE Mandatory Furlough.
- B. The South Carolina Department of Administration's Division of State Human Resources (DSHR) encourages agencies to research any restrictions on federal or other funds associated with positions before implementing a furlough. In some instances, federal laws associated with funding for certain programs may prohibit employees from participating in mandatory furlough. In those situations, if a position is only partially federally funded, the HE Mandatory Furlough may be prorated.
- C. The United States Department of Labor Regulations (20 CFR 655.731) does not allow the wages of employees working on an H-1B visa to be reduced through HE Mandatory Furlough. They can, however, participate in a voluntary furlough.

¹ The provisions of this section do not apply to employees of those state agencies or institutions covered by Section 8-11-192.

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V. PROGRAM GUIDELINES

- A. The furlough must be inclusive of all employees at the College regardless of the source of funds or place of work and must include employees in classified and unclassified positions as well as the College President.
- B. An employee may be furloughed not more than twenty (20) working days in the fiscal year in which the deficit is projected to occur, at the discretion of the College President.
- C. Scheduling of furlough days, or portions of days, shall be at the discretion of the College President.

VI. EMPLOYEE BENEFITS

- A. Affected employees shall be entitled to receive the same benefits as otherwise available to them with the exception of receiving their salary. When participating in the HE Mandatory Furlough, employees will be placed in leave without pay status.
- B. An employee will continue to accrue annual and sick leave as if they were in pay status.
- C. If a holiday falls during the furlough period, the employee shall be paid for the holiday, as observed by the College.
- D. As to those benefits which require employer and employee contributions, including but not limited to contributions to the South Carolina Retirement System (SCRS) or the Optional Retirement Program (ORP), the College will be responsible for making both employer and employee contributions during the time of the furlough.
- E. The employee remains solely responsible for making contributions that require only employee contributions.
- F. Individuals affected by a HE Mandatory Furlough do not have grievance or appeal rights under the State Employee Grievance Act.
- G. Agencies may allocate FTE employees' reduction in pay over the balance of the fiscal year for payroll purposes regardless of the pay period within which the furlough occurs however, deductions for exempt employees must occur in full-day increments.

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VII. CONDITIONS OF MANDATORY FURLOUGH

- A. A HE Mandatory Furlough will be based on management consideration of workloads and work requirements to ensure College's mission and program needs are met.
- B. An employee's performance review date will not be adjusted.
- C. An employee's hire date and continuous state service date will not be adjusted.
- D. DSHR and Comptroller General's Office recommend the following method for determining the amount of salary reduction: (hourly rate x number of hours in average work day) x (number of days furloughed). *The hourly rate should include the total compensation earned by the employee.*
- E. An employee may be eligible for weekly unemployment compensation if, during the week, the employee earns less than their maximum weekly benefit amount.
- F. In accordance with Section 41-10-30 of the SC Code of Laws, employers are required to provide an employee notice of any changes to the employee's wages and hours in writing at least seven (7) days before the effective date of the change. Therefore, the College should ensure that seven (7) days have passed between notification of the furlough program and the payroll effective date of any salary reductions.
- G. At the end of the HE Mandatory Furlough period, the employee will be expected to resume his/her regular schedule of work at the primary work location.

VIII. DOCUMENTATION AND REPORTING

- A. The College must submit a Supplemental Service Report (Form 1224) to the South Carolina Retirement Systems monthly for all employees participating in the HE Mandatory Furlough as well as any additional forms necessary for reporting purposes.
- B. The College must provide to DSHR the following information regarding furloughed employees through submission to the System Office Human Resources Services Division:
 - 1. Total number of employees who have participated in the mandatory furlough program;
 - 2. Total number of mandatory furlough days; and

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3. Estimated cost savings associated with the mandatory furlough program.

The System Office Human Resource Services shall coordinate the submission of HE Mandatory Furlough information to DSHR.

C. The College must maintain internal documentation for record-keeping purposes that document the terms of the furlough.