07-09.90 - INCREASING AND DECREASING THE PERCENT OF NON-FACULTY REGULAR AND CONTINGENT EMPLOYEES’ FULL-TIME EQUIVALENCY (FTE)

I. Policy Statement: Towson University (“University”) has established this policy and these procedures for changing a regular or contingent employee’s percent of full-time equivalency.

II. Reason for Policy: To provide procedures for changing a regular or contingent employee’s percentage of full-time equivalency.

III. Responsible Executive and Office:
Responsible Executive: Vice President for Legal Affairs & Human Resources and General Counsel

Responsible Office: Office of Human Resources

IV. Entities Affected by this Policy: All regular and contingent employees.

V. Procedures:
A. General

1. An employee’s full-time equivalency (FTE) is established when the employee is hired. An FTE is based upon the number of scheduled hours in a pay week divided by 40 hours. For example: If employee A is scheduled to work 30 hours a week his/her FTE equals 75%.

2. Changes to an employee’s FTE can be made for significant cause, including but not limited to, budgetary reasons, organizational structural changes, customer service, business hours, etc. Changes to an employee’s FTE can be voluntary or involuntary.

3. There is no guarantee that an employee’s change in FTE will remain at the changed percentage nor be restored to the original percentage at some future date.
4. The Department Head, Associate/Assistant Vice President or Dean, and Vice President of the Division must approve all requests before they are reviewed by OHR and implemented. University and Divisional Budget Office approval is required on all requests to increase an employee’s FTE.

B. Regular Employees

1. The salary of an employee shall be proportionally adjusted to the change in FTE effective on the date of the change in FTE.

2. A FTE of at least 50% is required in order for an employee to be eligible for subsidized health insurance benefits and to earn and use leave. Effective on the date of the change in FTE, annual, sick, holiday, and personal leave will be earned at a rate equal to the changed percent employed. The University will not routinely reduce an employee’s FTE below 50%.

3. Effective on the date of the change in FTE, the maximum amount of annual leave carry-over from one “calendar year” to the next will be a percentage of fifty (50) days (400 hours) equal to the changed percent employed. For example, a change to 80% employed means the employee will be allowed to carry-over forty (40) days (320 hours). If, at the end of the “calendar year” in which the change was made, the amount of accumulated annual leave is greater than the employee’s maximum carry-over, the difference between the accumulated leave and their maximum carry-over will be placed in escrow. For example, if a full-time employee changes to 80% employed and the employee has an annual leave balance of forty-five (45) days (360 hours) at the end of the “calendar year”, five (5) days (40 hours) will be placed in escrow. Annual leave in an escrow account shall only be used or credited to the employee’s balance:
   a. after the employee has exhausted all other available leave, except sick leave;
   b. after separation from the University;
   c. if the carry-over amount is less than the allowable amount, in which case the difference between the two will be transferred from the escrow account to the annual leave balance for carry-over into the following “calendar year” (using the example above in Section III, if at the end of the following calendar year the 80% employee’s carry-over balance is thirty (30) days, the five (5) days in escrow will be transferred to their balance); or
   d. if the percentage of employment increases, in which case the allowable carry-over amounts will be transferred from
the escrow account to the annual leave balance (using the example above in Section V.B.3, if the employee’s percentage increases to 90% and their carry-over amount is forty (40) days, the five (5) days in escrow will be transferred to their balance).

C. Contingent Employees

1. Salaried contingent employees shall have their annualized salary proportionally adjusted to the changed FTE, effective on the date of the change in FTE. Hourly contingent employees shall have their contract maximum proportionally adjusted to the changed FTE, effective on the date of the change in FTE.

2. Contingent employees are required to sign a revised Contingent Employment Agreement or an addendum to their Contingent Employment Agreement. Addendums are provided by the Office of Human Resources or University Counsel.

3. The FTE of a contingent category II employee must be at least 50% in order for the employee to maintain contingent category II status and be eligible to earn and use leave. Annual, sick and holiday leave and tuition benefits shall be earned at a rate equal to the changed FTE, effective on the date of the change in FTE.

4. Contingent Category I employees are not eligible for subsidized benefits or leave.

D. Procedures

1. Departments shall complete and submit to the OHR the appropriate Change in Percent Employed Notification Form thirty (30) days prior to the effective date. Departments can obtain the Change in Percent Employed Notification Form by contacting the OHR.

2. Contingent employees are required to sign a revised Contingent Employment Agreement or an addendum to their Contingent Employment Agreement. Addendums are provided by the Office of Human Resources or University Counsel. Contingent Employment Agreements can be obtained on the Forms Repository website.

3. The OHR shall notify the Department once the request has been processed.
Related Policies: None.

Approval Date: 01/07/2011

Effective Date: 01/07/2011

Approved by: President’s Council 09/30/2010