

Staff Personnel Manual (SPP)

SPP 214: Flexible Employment Program

Effective: 11/1/1996

Revised: 7/1/2013

Purpose

To permit employees who normally work 12 months a year to volunteer to reduce their time worked by one to six pay periods a year

Source

University policy

Applicability

All regular [classified employees](#), [university staff](#), and [non-faculty administrators](#)

Policy

The Flexible Employment Program allows all regular classified employees, university staff, and non-faculty administrators who work 12 months a year and are paid a salary over this 12-month period (26 pay periods) to volunteer to reduce their time worked during the year. Time may be reduced from a minimum of one pay period (two weeks) to a maximum of six pay periods (12 weeks) with the approval of the appropriate administrative official. An employee who is interested in enrolling should discuss this with his or her supervisor, complete a [Flexible Employment Conversion Application Program Agreement](#), and obtain approval from the appropriate administrative official.

The salary and full-time equivalency ([FTE](#)) of an employee are reduced proportionately. The reduced salary continues to be paid over the entire 12-month period, including during non-work periods as designated at the time of entry into the program. All benefit programs in which employees are enrolled can be continued uninterrupted. However, some benefits, such as retirement contributions and vacation and sick leave accruals, will be reduced based on the proportionately reduced salary and/or FTE. Employee and university contributions, where applicable, are made at the appropriate premium or percentage of the proportionately reduced salary.

Flexible Employment Program Conditions

1. Participation in the program must not reduce FTE below 50 percent.
2. The duration of non-work periods must be at least one pay period (one-half month) but not more than six pay periods (three months).
3. Non-work periods do not have to be consecutive.
4. Once an employee volunteers for and is enrolled in the program, he or she must remain in the program for a minimum of 12 consecutive months unless:
 - a. employment with ASU is [terminated](#)

or

- b. the parties agree in writing to terminate the program agreement before completion of 12 consecutive months in the program.
5. Upon enrollment in the program, the employee's annual salary and FTE will be proportionately reduced based on the remaining number of pay periods to be worked during the following 12-month period.
6. Appropriate payroll changes reflecting reduced annual salary, pay rate, and FTE must be made.
7. The reduced salary will be paid to the employee in accordance with the agreement.
8. All benefit programs in which the employee is enrolled will continue uninterrupted throughout the 12-month period following enrollment in the program (including during non-work periods) unless employment is terminated or the employee waives participation in or becomes ineligible to participate in the benefit program(s). However, some salary-related benefits such as retirement contributions and vacation and sick leave accruals will be reduced because of the reduction in salary and/or FTE.
9. Employee and university contributions to benefit programs will be made as long as the employee remains eligible for and is a participant in the benefit program(s). These contributions will be made in accordance with the agreement, unless employment is terminated or the employee ceases to be a participant in the program.
10. The employee must notify the Office of Human Resources if any payroll deduction changes are necessary for tax sheltered annuities, savings bonds, flexible spending accounts, or other deductions designated as dollar amounts.
11. The employee will accrue vacation and sick leave based on their reduced FTE.
12. Accrued vacation and sick leave will be taken at a reduced rate based on the employee's FTE and will not provide the employee with additional pay. The use of accrued vacation and sick leave may be taken only during work periods.
13. If the employee is a participant in the Arizona State Retirement System, service credit for retirement is earned in accordance with the policies of the Arizona State Retirement System during non-work periods.
14. Employee and university contributions to the Arizona State Retirement System or Optional Retirement Plan will continue in accordance with the agreement.
15. During periods of non-work, employees cannot use vacation leave, sick leave, or any other leave accrual.
16. If a holiday falls during a non-work period, the employee will receive his or her regular proportionately reduced salary for that pay period. No additional pay will be received for the holiday.
17. After completion of the first 12 months in the program, the employee's FTE and salary will revert to the former status prior to entering the program, plus any salary adjustments approved while the employee was enrolled in the program.
18. If the employee wishes to volunteer to remain in the program for an additional 12-month period, he or she must complete a Flexible Employment Conversion Application Program Agreement and obtain approval from the appropriate administrative official.
19. Vacant positions can be converted to the Flexible Employment Program at any time.