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**Responsible University Administrators:** Vice President for Business and Finance

**Responsible University Office:** *Human Resources* 

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## **HR-01: Salary Reduction Program**

CONTENTS Program History

## **Program**

This program allows the University of Nebraska to approve and implement both voluntary and involuntary salary reduction programs in response to significant financial constraints faced by the University or individual campuses or units. Any salary reduction program approved by the President or any Chancellor must comply with all applicable federal and state laws and regulations, as well as applicable University bylaws, policies, and practices.

Employees who are part of a collective bargaining unit may not have their salary reduced except through negotiations with their union representative. Employees whose visa status requires the payment of a guaranteed pay rate may not have their salary reduced below that rate. Those employees, therefore, may not be included in either a voluntary or an involuntary salary reduction program. Faculty members may not have their salary reduced through an involuntary salary reduction program. All other employees may be subject to both voluntary and involuntary salary reduction programs.

A salary reduction program that has been approved by the President or a Chancellor may be applied broadly to employees across the system or a campus or may be limited in scope to employees within specified units. An approved salary reduction program may not be implemented until the appropriate human resources department or academic affairs department has been notified. The human resources department or academic affairs department will be responsible for assessing whether the reduction in salary alters any of the affected employees' exempt status under the Fair Labor Standards Act (FLSA).

A salary reduction, whether voluntary or involuntary, that continues for a period of three (3) years will be deemed to be permanent.

Decisions impacting the salary of employees that are made pursuant to this program are not grievable under the University's grievance procedures.

History June 30, 2020 Approved by the President