

SAINT JOSEPH'S UNIVERSITY
VOLUNTARY REDUCTION IN WORK SCHEDULE
FREQUENTLY ASKED QUESTIONS

1. Will I lose my benefits if I participate in the VRWS Program?

Most benefits remain intact for eligible employees. Vacation and Sick Time benefits are reduced on a pro rata basis, with specifics outlined in the VRWS program overview.

2. How will my salary be determined if I participate in the VRWS Program?

Details are outlined in the VRWS program overview, but in summary:

- Hourly (nonexempt) employees will continue to earn their current rate of pay for every hour worked under 40 hours per work week and at time and one half their current rate of pay for any hours worked over 40 hours per work week and will be paid in the pay period in which the hours are worked
- Salaried (exempt) employees will have their salary reduced commensurate with the reduced schedule and will be paid over 12 months.

3. If I contribute to my health insurance benefits or the flexible spending accounts, how will the deductions be processed?

All employees on a reduced work week schedule will continue to have their health insurance and flexible spending account deductions made as they are now, on a per pay basis over 12 months.

Since exempt employees on a reduced work year schedule will continue to be paid over 12 months, there will be no change to their deduction schedule.

However, non-exempt employees on a reduced work year schedule will now have the annual premium deducted in the pay periods in which they work, which will result in a higher per pay deduction.

All employees approved for this program and their dependents who are currently covered under SJU's health insurance or who are eligible to begin coverage due to a qualifying event will continue to be covered 12 months/year.

4. If I contribute to a Health Savings Account (HSA), how will those contributions be affected?

All employees on a reduced work week schedule will continue to have their HSA contributions made as they are now, on a per pay basis over 12 months.

Since exempt employees on a reduced work year schedule will continue to be paid over 12 months, there will be no change to their HSA contribution schedule.

However, non-exempt employees on a reduced work year schedule will not have contributions made to their Health Savings Account during pay periods in which they do not earn pay.

5. If I am approved for the VRWS Program, will the reduction in my schedule be permanent?

All reductions in work schedule under this program are effective June 3, 2013 for FY14 and will be re-evaluated in April, 2014 for FY15. Please understand, however, that the

University reserves the right at any time, for any or no reason, and with 30 days prior notice, to rescind or modify this voluntary reduction in work schedule program, and/or any particular employee's participation in the program.

6. If I am approved for the VRWS Program now, will I be exempt from any mandatory reductions in work schedule, if implemented?

While the FY14 budget does not currently contemplate any mandatory reduction in workforce, should such a scenario become necessary, all employees in all positions may be subject to a mandatory reduction of work schedule, without regard to, among other things, position, seniority, hours regularly worked and/or eligibility for and any prior or current application for or participation in the voluntary reduced work schedule program.