



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

The following is general information concerning the 2011-2013 cost reductions and furloughs in state executive branch agencies subject to ORS 240.

This information may be applied to all employees except where in conflict with the provisions of a collective bargaining agreement. Please contact the Human Resource Management and Consultation Unit or the Labor Relations Unit for additional information.

1. COST OF LIVING INCREASES

A. Will employees receive a cost of living increase in the next biennium?

Yes (unless otherwise specified in a collective bargaining agreement). Represented employee's cost of living increases are outlined in an applicable collective bargaining agreement. Management, unrepresented and unclassified employee's cost of living increases are outlined in the management package information and the Cost Reduction Directive.

2. SALARY INCREASES

A. Will employees receive a salary increase in the next biennium?

Yes. However, salary increases are limited to one step over the next biennium, unless otherwise specified in a collective bargaining agreement. Special merit increases are prohibited unless otherwise specified in a collective bargaining agreement.

B. Will salary increases be in full steps?

No. Salary increases will occur in two, half steps over the biennium, unless otherwise specified in a collective bargaining agreement. For information about represented service salary increases, please see the applicable collective bargaining agreement. For information about management, unrepresented and unclassified service salary increases, please refer to the Management Package and the Cost Reduction Directive.

C. Will the top steps be added back during this biennium for all employees not represented by a labor organization?

Until further notice, the top step remains suspended.

3. MANAGEMENT VACATION LEAVE

A. Can the vacation leave over 350 hours that some managers accrued, which went into an account on January 1, 2010, be donated to another employee for purposes of hardship leave?

Yes. An employee has until June 30, 2013 to use or donate this leave. After June 30, 2013, this leave will be lost.

4. PAY REDUCTION OPTION

A. Can an employee take a voluntary pay reduction in lieu of furloughs?



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

Under certain circumstances an employee may designate to satisfy their total furlough obligation through a voluntary salary reduction (effective through June 30, 2013) of 1.92% for Tier 1, 2.30% for Tier 2 and 2.68% for Tier 3, if:

- The employee is represented and the salary reduction option was agreed to in collective bargaining, or
- The employee is a management service, unrepresented or unclassified service employee who is in an agency or program that is required to take all floating furloughs.

B. Can an employee combine voluntary salary reduction and furlough days?

No. An eligible employee must choose one or the other.

C. Will the salary reduction be taken out every month from September 2011 through June 2013?

Yes. The fixed percentages, identified in question 4A, spread the obligation over the biennium.

D. Is there a deadline for an employee to designate a voluntary salary reduction in lieu of furloughs?

Yes.

- An eligible employee who is employed by an agency between July 1, 2011 and September 15, 2011, must declare they are opting to take a salary reduction in lieu of furloughs by September 15, 2011.

Note: Agencies must send a list of the employees who have opted to take a pay reduction in lieu of taking furlough days to DAS HRSD by September 23, 2011. This salary reduction list must be signed by an appointing authority. DAS HRSD will make the personnel action entries to ensure the salary reduction will be processed before final payroll cut off.

- New employees must declare they are opting to take a salary reduction in lieu of furlough before the next payroll cut off.

Note: Agencies must manually enter this designation into PPDB for these employees.

E. What personnel action (PA) code is used to identify a salary reduction in lieu of furloughs?

The PA code of 824 will be used to process and identify salary reductions in lieu of furlough. The code will be available for agency use in mid-October. Until that time, DAS HRSD will enter the information into PPDB.

F. How is the salary reduction option coded on the employee's timesheet?

The salary reduction option is not coded on an employee's timesheet. There should be no LA codes on the timesheet. Any pre-loaded LA hours must be manually removed.

5. TIER STRUCTURE



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

A. What are the furlough obligation tiers for the 2011-2013 biennium?

Tier 1 - \$2450 and below	Tier 2 - \$2451-\$3100	Tier 3 - \$3101 and above
10 days / 80 hours	12 days / 96 hours	14 days / 112 hours

B. Are furlough obligations and tiers based on employee's individual salary or budgeted positions?

Furlough obligations and tiers are based on individual employee's base salary, not positions. The base salary does not include differentials.

C. How do I determine a temporary employee's furlough obligation to be unscheduled?

Unlike permanent or seasonal employees who take furlough leave, temporary employees are unscheduled. Since most temporary employees are paid on an hourly rather than salary basis, use the following hourly rate tiers (based on a 173.33 hours in an average work month):

Tiers by hourly rate	Total Obligation Sept 2009 – June 2011
1 -- \$14.14 and below	10 days / 80 hours
2 -- \$14.15 to \$17.89	12 days / 96 hours
3 -- \$17.90 and above	14 days / 112 hours

Use the monthly salary rate tier structure in the Cost Reduction Directive or an applicable collective bargaining agreement for those temporary employees who are paid a salary rather than an hourly rate. See questions 5F and 5G to determine the number of days a temporary employee must be unscheduled during the period of their employment.

D. Can furlough time be scheduled and taken in hourly increments?

No. Furloughs are taken in increments equaling the employee's normal shift. Any exceptions will be specified in a collective bargaining agreement (for represented employees) or the Cost Reduction Directive (for management, unrepresented and unclassified employees). Exceptions are:

- If an employee is called into work during a closure or furlough day.
- If an employee has less than a full shift remaining in furlough hours at the end of their furlough obligation, the employee may adjust their work schedule or use a combination of the remaining furlough obligation and accrued paid leave, approved leave without pay, or regular paid work time to equal their normal full shift.

6. FURLOUGH ACKNOWLEDGMENT FORM/REQUEST & TRACKING FORMS

A. What is the **Furlough Acknowledgment Form**?

The Furlough Acknowledgment Form outlines the conditions agreed to in collective bargaining and in the Cost Reduction Directive. All employees (except for temporary employees) must sign one Furlough Acknowledgment Form.

B. Can an agency create their own Furlough Acknowledgment Form as long as all of the acknowledgements are included on the form?



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

Yes, but the agency must gain approval from DAS HRSD to use a customized form.

C. Is there a specific form and procedure an employee must use to request furlough leave?

No, employees use the same procedure the agency requires when requesting paid time off, however the agency may create its own furlough leave request form. There are sample furlough leave request forms on the Cost Reduction Directive website, at: <http://www.oregon.gov/DAS/HR/Reductions.shtml>.

D. What type of advance notice must an employee give to request a furlough?

An employee must request and gain approval for furlough time in advance. Management approves furlough leaves based on operational needs of the agency. (There is no longer the 2009-2011 biennium requirement of quarterly three-month advance scheduling.)

E. How are agencies expected to track the unscheduled hours of temporary employees for purposes of quarterly reporting to DAS?

DAS-HRSD created a form that agencies may use to report this information quarterly. The form is located at HRSD's Cost Reduction Directive webpage <http://www.oregon.gov/DAS/HR/Reductions.shtml>.

7. FURLOUGH OBLIGATION CALCULATION

A. How should the furlough obligation (number of furlough days) be calculated for full-time seasonal employees?

Full-time seasonal employee's mandatory unpaid time off obligation is determined by using the following formula as a guideline:

$$(MS \div TM) \times TO$$

Formula Description:

MS = Estimated number of months the seasonal employee will work during the period in which mandatory unpaid time off must be taken.

TM = Total number of months during the 2011-2013 biennium during which mandatory unpaid time off must be taken

TO = Total number of mandatory unpaid time off days required for the biennium for the salary tier for the employee.

Example: The employee's seasons include the months of May through October 2011 and May through October 2012. The seasonal employee is expected to work both seasons. The seasonal employee is in the top salary tier which has a maximum of fourteen (14) mandatory unpaid time off days. The calculation is the following:

$$(MS \div TM) = (9 \text{ months} \div 22 \text{ months}) = .409$$

$$TO = 14 \text{ days}$$

$$(9 \div 22) \times 14 = 5.73 \text{ days}$$

Rounding to nearest whole number = 6 mandatory unpaid time off days (8 hours each).



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

B. How should the furlough obligation be calculated for part-time (including seasonal part-time) and job share employees?

Part-time employee's mandatory unpaid time off obligation is prorated based on the actual paid hours, excluding overtime, for the part-time or job share employee in the previous twelve (12) months or previous season, whichever is applicable.

The mandatory unpaid time off obligation is prorated using the following formula as a guideline: $(SSH/FTH) \times 8 = MH$

Formula Description:

SSH = The scheduled hours in a month for the part-time employee.

FTH = The number of full-time hours in a month.

8 = The number of hours in a full-time mandatory unpaid time off day obligation.

MH = The number of mandatory unpaid time off hours required for a mandatory unpaid time off day for the part-time employee.

Example: Using the facts in the example used for full-time calculation (six (6) mandatory unpaid time off days), but adding that the part-time employee is scheduled to work three-quarter (3/4) time for the previous twelve (12) months or previous season, whichever is applicable. Three-quarter (3/4) time is equivalent to one-hundred thirty (130) hours (i.e., three-quarters (3/4) of the one-hundred seventy-three and thirty-three one-hundredths (173.33) full-time hours in a month). The calculation is: $(130 \text{ hours} / 173.33 \text{ hours}) \times 8 = 6 \text{ hours}$

The three-quarter (3/4) time employee would take three-quarters (3/4) of a workday (i.e., six (6) hours) off for a mandatory unpaid time off day.

Seasonal employees employed multiple seasons and/or by multiple agencies, will be addressed on an agency-by-agency basis to determine the number of mandatory unpaid time off days. Contact HRMC or Labor Relations Unit at DAS as appropriate for assistance.

C. How should the furlough obligation (number of furlough days) be calculated for a limited duration employee whose appointment will end before the end of the biennium?

Calculate the number of furlough days required using the formula in 7A $[(MS/TM) \times TO]$. Note: the number of hours loaded in the payroll system will reflect the full obligation based on the employee's tier. This amount may be greater than the employee's actual obligation.

D. How will furloughs work if I have an employee who is part time in another agency?

Each agency determines and manages the employee's furlough obligation based on the employee's rate of pay and amount of time the employee is scheduled to work for each agency.

E. How do I determine the number of days to unschedule a temporary employee?

For a full-time temporary employee, use the formula above in 7A $[(MS/TM) \times TO]$ to determine the number of days to unschedule.

For a part-time temporary employee, then use the formula above in 7B $[(SSH/FTH) \times 8 = MH]$ to determine the number of hours to unschedule on each of these days.



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

F. How do I determine “scheduled hours” for purposes of prorating the amount of time I should unschedule a temporary employee whose schedule changes from week to week?

Where there is significant variation in the number of hours worked by an employee on a daily or weekly basis, an agency can estimate the scheduled hours by taking the average number of actual hours worked in the past three months. Repeat this calculation each calendar quarter to determine amount of time to unschedule the employee during the upcoming quarter.

G. Does an employee’s furlough obligation change when an employee salary changes due to promotion, demotion or a step increase or cost of living increase?

No. An employee’s furlough obligation does not change regardless of any changes to an employee’s salary during the biennium.

- For example, an employee making \$2450 on October 1, 2011 is designated at Tier 1 (10 days/80 hours). The employee promoted on December 1, 2011 and makes a salary of more than \$3101 per month. The employee’s furlough obligation remains at 10 days/80 hours.
- Conversely, an employee making more than \$3100 per month on September 1, 2011 is designated at Tier 3 (14 days/112 hours). The employee demotes to a salary of less than \$2450 per month. The employee’s furlough obligation remains at Tier 3.

H. How does an agency know when to set an employee’s furlough obligation?

The effective date for an employee’s furlough obligation set is:

- Upon implementation of a respective collective bargaining agreement for represented employees and,
- August 1, 2011 for management, unrepresented and unclassified service employees.

An employee’s furlough obligation is determined from the employee’s base salary only (does not include any differentials or work-out-of-class pay), as specified in an applicable collective bargaining agreement, or the Cost Reduction Directive.

An employee who is represented but promotes or demotes into management, unrepresented or unclassified service before the collective bargaining agreement is in effect, has his or her furlough tier set upon promotion or demotion into the new service type. Obligations will remain the same during the course of the biennium. No adjustments will be made for future promotions, demotions, step increases, or cost of living increases once the obligation has been set.

I. Could a seasonal employee’s furlough obligation tier change from season to season within the same biennium?

No. A seasonal employee’s initial tier obligation will remain the same within the biennium.

J. If we are unsure if a seasonal employee will work multiple seasons during the remainder of the biennium should we project the total number of months they may work between now and June 30, 2013 to determine their furlough obligation?



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

No. It is difficult to project future appointments. Calculate each season independent of the other. It may result in less or more obligation in the short run but will end up being the full obligation by the end of the biennium. The total obligation cannot be more than the respective tier (i.e., 10, 12 or 14 days).

8. FURLOUGH SCHEDULING

A. What happens when an employee is called in to work on a furlough day?

In an emergency or other appropriate circumstance, management may “pull” an employee off of furlough status. The time already not worked on a furlough day remains reportable as “LA.” The remaining portion of the furlough day is rescheduled between management and the employee. The remaining mandatory unpaid time off, with approval from the supervisor, may be taken during the employee’s work week, as long as the work week does not exceed forty (40) hours (including mandatory unpaid time off), or at another time. [If the remaining hours of mandatory unpaid time off to be made up are less than an employee’s full scheduled work day, the employee may either: combine a work day with mandatory unpaid hours plus regular work hours, to make a full work shift, or make alternate arrangements for the remainder of the shift, including but not limited to using appropriate accrued leave.]

B. What can we do if an employee is scheduled to attend a conference, training or similar event outside of the office on a fixed office closure date?

If an employee is scheduled for an event that is on a fixed office closure date, the agency and employee will schedule a floating furlough day instead.

C. How many furlough days can an employee take in a week?

Subject to operation requirements, management may approve requests to take up to two floating furloughs days or furlough and closure day combinations per week. Note: a few collective bargaining agreements have a different cap on the number of furlough days an employee may take.

D. How should employees who work an alternate workweek (e.g., 4-10’s, Monday through Thursday) handle a Friday closure day?

An employee who does not normally work on Friday, may revert to a regular schedule (5-8’s) for the furlough week and observe the fixed office closure. Otherwise, an employee observes an alternate furlough day during the week of the closure. Note: a collective bargaining agreement may have more specific language.

An employee who works less than or greater than eight hours on Friday, may revert to a regular schedule (5-8’s) for the furlough week and observe the fixed office closure. Otherwise, the employee will observe the closure day in his or her normally scheduled hours on the Friday closure date. Note: a collective bargaining agreement may have more specific language.

E. How should employees who work a compressed schedule (e.g., 4-9’s/1-8 in week 1 and 4-9’s in week 2) handle a Friday closure day on their regularly scheduled day off?



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

The employee, by mutual agreement with management, may revert to a regular schedule (5-8's) for the furlough week and observe the fixed office closure date. Otherwise, the employee may observe the closure day on an alternate day (scheduled as a float day by the agency). Note: a collective bargaining agreement may have more specific language.

F. Do FLSA-exempt employees take rest and meal periods during a furlough week?

Yes. Because an otherwise exempt employee becomes non-exempt during a furlough week, they are subject to the same wage and hour laws that apply to non-exempt employees. These employees must take at least one 30-minute meal period and, at a minimum, two 10-minute rest periods during a normal eight-hour workday.

G. How do I determine the number of furlough days that an employee who plans on retiring must take?

An employee must meet his or her furlough obligation prior to leaving employment as listed on the Furlough obligation chart, located on the Cost Reduction Directive website at: <http://www.oregon.gov/DAS/HR/Reductions.shtml>. The chart lists the number of days a retiring or separating employee must take by the date of separation and their tier.

H. Can an employee who is sick on a day they take as a floating furlough day replace that the furlough time with sick leave?

No. A floating furlough day and closure days are not scheduled workdays. Employees may not use paid leave for days that they are not scheduled to be at work.

9. FURLOUGHS DURING FAMILY AND MEDICAL LEAVES (OFLA / FMLA)

A. Must employees on Oregon Family Leave or Federal Family Medical Leave (OFLA/FMLA) record furlough time?

Yes. While using accrued leave balances during FMLA/OFLA leave, an employee records no more than two furlough days (including fixed office closure dates and scheduled floating furlough dates) per week as "LA." (Unless specified in a collective bargaining agreement.) However, this time off work does not count against the employee's entitlement to FMLA/OFLA leave.

B. If an employee goes on Family and Medical Leave, must the employee still meet his or her floating furlough or fixed office closure obligation?

If an employee requests and an agency schedules a floating furlough day in advance of an absence, the floating furlough day is observed. All fixed office closure days are observed if the employee's agency observes fixed office closure days. The employee must meet all required floating furlough obligations in the biennium. This leave time is coded as "LA", a Family and Medical Leave code is not used.

C. If an employee goes on Family and Medical Leave, can the employee request some of the absence be counted as floating furlough days?

If an employee requests to use floating furlough days prior to starting a Family and Medical Leave absence and the days are approved, the employee may use up to



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

two floating furlough days or one floating furlough and one fixed office closure day per week. (Unless specified otherwise in a collective bargaining agreement.)

D. Can an employee on, or who has just finished Family and Medical Leave and is in leave without pay, designate some of the days retroactively as floating furlough days?

Yes. Because this is approved leave without pay, an employee may retroactively be approved to designate up to two days per week of leave without pay as furlough time, as long as the substitution is made before the payroll cutoff dates. (Unless specified otherwise in a collective bargaining agreement.)

E. If an employee is on Family and Medical Leave and observes a floating furlough or fixed office closure day, how is the employee's timesheet coded?

"LA" - An employee observing a floating furlough or fixed office closure day during a Family and Medical Leave absence codes the time only as furlough using the LA code. A Family and Medical Leave code is not used.

F. How does an observed floating furlough or fixed office closure day affect an employee's Family and Medical Leave entitlement?

Floating furlough or fixed office closure days taken while an employee is on Family and Medical Leave do not reduce the employee's Family and Medical Leave entitlement. However, during the week the employee is observing the fixed office closure or floating furlough days, the employee's Family and Medical Leave is intermittent rather than a continuous block of leave.

- Example for a full time employee: A full time employee's Family and Medical Leave absence is seven weeks. One week contains a fixed office closure day. The employee's total Family and Medical Leave entitlement is reduced by six weeks and four days (32 hours).
- Example for a part time employee: A part time employee's Family and Medical Leave absence is seven weeks. One week contains a fixed office closure day. The employee's total Family and Medical Leave entitlement is reduced by six weeks and four half days (16 hours). Note: A part time employee maximum Family and Medical Leave entitlement is 12 weeks under both FMLA and OFLA when taken in blocks of time. The time is only prorated when an employee takes leave intermittently or on reduced schedule Family and Medical Leave.

10. FURLOUGHS DURING TIME LOSS UNDER WORKERS' COMPENSATION

A. Does an employee get to use accrued leave on a furlough day to make up the difference between their regular salary and workers' compensation payment for time loss?

No. An employee may not use accrued leave on a furlough day to make up the difference between the workers' compensation rate for time loss and their regular rate of pay.



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

B. If an employee goes on time loss under workers' compensation, must the employee still meet his or her furlough obligation?

- If an employee requested and an agency approved a floating furlough day in advance of time loss under workers' compensation, the floating furlough day is observed.
- Fixed office closure days must be observed if the employee works in an agency that observes fixed office closure days.

C. If an employee goes on time loss under workers' compensation, can the employee request some of the days be floating furlough days?

If an employee requests to use floating furlough days prior to starting time loss under workers' compensation and the days are approved, the employee may observe up to two floating furlough days or one floating furlough day and one fixed office closure day per week. (Unless specified otherwise in a collective bargaining agreement.)

D. Can an employee on or who has just finished time loss under workers' compensation, designate some of the days as floating furlough days?

Yes. Because this is an authorized leave without pay, an employee may retroactively designate up to two days per week of leave without pay as furlough as long as the substitution is made before the payroll cutoff dates. (Unless specified otherwise in a collective bargaining agreement.)

E. Can an employee who supplements their workers' compensation payment with accrued paid leave still receive supplemental pay on a floating furlough or fixed office closure day?

No. On the day of the floating furlough or fixed office closure day the employee may not supplement their workers' compensation payment with accrued paid leave.

F. If an employee is on time loss under workers' compensation and observes a floating furlough or fixed office closure day, how is the employee's timesheet coded?

An employee's timesheet is coded as it normally is for workers' compensation. In order to credit an employee with meeting a full furlough obligation day Payroll makes a companion adjusting entry through the OSPA leave accrual balance adjustment screen to retire the full day obligation for the fixed office closure or floating furlough day. The full day obligation will be 8 hours for full time employees and prorated for part time.

If an employee elected to use accrued paid leave to supplement their workers' compensation payment, substitute code LA for the 1/3 day normally coded as SL (sick leave) on the floating furlough or fixed office closure day. Next, make a companion adjusting entry through the OSPA leave accrual balance adjustment screen to retire the remaining 2/3 day to ensure full credit for the furlough obligation. Ensure documentation to support the employee had sufficient leave to have been in 1/3 paid status for that day should the employee be supplementing with their accrued paid leave.

In either scenario ensure that the documentation to support the furlough balance adjustment is sufficient to demonstrate that the floating furlough day was scheduled previous to the time loss or related to a mandatory fixed office closure day.



FURLOUGH AND CLOSURE FREQUENTLY ASKED QUESTIONS

Department Of Administrative Services
Human Resource Services Division

Updated October 13, 2011

[Updates are highlighted]

11. FURLOUGHS DURING UNPAID LEAVES OF ABSENCE

A. Do employees observing fixed office closures record furlough leave while on leave without pay?

Yes.

B. Do employees on floating furloughs record furlough leave while on leave without pay?

Yes, if an employee has scheduled a floating furlough then begins leave without pay they take the prescheduled day as furlough leave.

C. Can an employee on or who has finished an authorized leave of absence without pay designate some of the days as floating furlough days?

Yes. Because this is an authorized leave without pay, an employee may retroactively designate up to two days per week of leave without pay as furlough as long as the substitution is made before the payroll cutoff dates. (Unless specified otherwise in a collective bargaining agreement.)

Note: Substituting a furlough day is not allowed if an employee's leave without pay was not authorized.

12. FURLOUGHS DURING MILITARY LEAVES OF ABSENCE

A. Does an employee using paid leave while on military leave record furlough leave?

Yes, for fixed office closure dates (if applicable) and any scheduled floating furlough days.

B. Can an employee on military leave (paid or unpaid) take more than two furlough days in a week?

No. All employees are limited to a total of two furlough days (including both fixed and float) in a week. (Unless specified otherwise in a collective bargaining agreement.)

C. Can an employee on or who has finished a military leave of absence designate some of the days as floating furlough days?

Yes. Because this is an authorized leave, an employee may retroactively designate up to two days per week of leave without pay as furlough as long as the substitution is made before the payroll cutoff dates. (Unless specified otherwise in a collective bargaining agreement.)