

**SUBJECT: Furloughs**

**Purpose:** When budget reductions are necessary, the City may use mandatory furloughs in addition to other cost-saving efforts. Such furloughs may apply to City employees and elected or appointed officials, on a department by department basis or Citywide, as determined by the Mayor, in conjunction with the Finance Director and the Director of Human Resources.

**Definition:** A furlough is unpaid time away from work, generally in half-day or one-day increments based on the number of hours in their regular workweek. A furlough is different from a layoff in that a furlough is for a defined period of time. The employee's position is not eliminated, and after which, employees are expected to return to their position. Furlough days will typically be spread out over a number of pay periods, versus occurring all at once, in order to spread out the impact of the unpaid time. The maximum number of mandated furlough days in any calendar year will be ten (10). However, this limitation does not preclude the City from implementing layoffs of any duration, due to a loss of work.

**Use of Furlough Days:** The City may implement furlough days to address budget issues resulting from an unforeseen lack of revenue growth, increases in baseline service costs, or other unforeseen issues that significantly impact the City's operating budget. Such furlough days can either be directed to individual City departments or City-wide, as determined by the Mayor. The number and type of positions that may be considered furlough eligible are subject to the business and service delivery needs of the City. Therefore, the impact may not be universal to all City departments or City employees. The number of furlough days (up to a maximum of ten) will also depend on the projected budget shortfall and may not be the same for all employees. Citywide furloughs may be implemented on a specific schedule or implemented as citywide shut-down days, where all non-emergency services of the City are closed. Citywide furlough days do not preclude the ability of employees to preselect furlough days with the agreement of their supervisor and with Human Resources approval. Prior to implementation, the proposed furlough plan will be analyzed using one of the City's racial equity and social justice analysis tools, and the City will consult with employee Associations on implementation plans at least thirty days prior to implementation. Options for weighting the number of furlough days by employee salary may be considered in accordance with the City's equity principles and if in accordance with relevant collective bargaining agreements and other City policies.

**Impact on Wages:** Since the intent of implementing furlough days is cost savings, no furloughed City employee will be allowed to use paid leave to avoid the unpaid furlough day. Similarly, employees will not be allowed to work overtime in an attempt to recoup the lost wages resulting from furlough days. At their option, employees may be permitted to spread the impact of furlough days across multiple pay periods and still use the time off consecutively.

**Impact on Benefit Status:** Furlough days will have no impact on any employee benefits like vacation accrual or employee seniority. Furlough days will have no impact on an employee's date of service with the City. Benefits that may be impacted by furloughs include WRS contributions and service time, sick leave accrual, and deferred compensation contributions based on a percentage of wages.

**Work Schedules and Hours of Work:** Employee work schedules and hours of work will be altered to reflect the furlough days in either half-day or full-day increments. Employees will receive

any required notice of such schedule change, consistent with Employee Handbooks or collective-bargaining agreements, but in no case will employees be given less than thirty (30) calendar days' notice before any furloughs. Except in cases of citywide shut-down days, Supervisors are encouraged to work with employees to schedule furlough days at a mutually agreeable time. Employees shall not perform any work while on furlough, and wherever possible, employee workloads will be adjusted in accordance with the time they are furloughed.

**Impact on Leaves and Leave Status:** If an employee is on leave that either removes them from the workforce or is of an intermittent nature, furlough days will still be assigned upon return to active pay status. Exceptions to this may be made on a case by case basis by the Human Resources Director, if such employees have absence without pay, which precludes implementation of furlough days (e.g., Disability Layoff).

**Recordkeeping and Payroll:** Each department will record the assigned furlough days for departmental records. Furlough days will be entered into MUNIS as Furlough AWOP, or Paid Furlough when pay impacts are spread across multiple pay periods.

### **General Considerations**

*FLSA Requirements:* Accurate time records will be kept for all employees during any week in which furlough days are assigned. Employees will be directed to perform no work during designated furlough days. Exempt employees are directed not to work more than 40 hours in a week with a furlough day.

*Disciplinary Suspensions:* No employee will be allowed to use unpaid suspensions served to them as a substitute for assigned furlough days.

*On-Call or Stand by status:* Employees on either on-call or stand by status who are required to report on a furlough day will be paid in accordance with the respective Collective Bargaining agreement, City ordinances, or Handbook provisions. Employees will be paid for actual hours worked. Any hours spent in furlough will count toward the assigned furlough, and the number of hours worked will be reassigned as furlough on an alternate day.

*Call-Ins:* If an employee is called in to work on an assigned furlough day, they will be paid for the actual hours worked on that day.

*Probationary Period/Trial Period:* Probationary periods will not be extended by the number of furlough days the employee is expected to serve. Rather, a probationary or trial period extension may be added on a case-by-case basis in accordance with the Personnel Rules. A trial period does not need to be extended as a result of furlough days unless the furlough days cause the employee to be absent for a total in excess of 30 days during the trial period.



Satya V. Rhodes-Conway  
Mayor

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