



Voluntary Furlough FAQs

1. What is the Voluntary Furlough Program?

The purpose of the City's Voluntary Furlough Program is to provide employees with a tool for flexibility and to help reduce salary costs during times of budget shortfalls in order to temporarily lower organizational employee costs. It gives an employee the option of taking unpaid time off without a reduction in health benefits or loss in seniority (*see question #13 on benefits and employment status while on voluntary furlough*). This program is voluntary, and employees are not required to participate in the program.

Employees can request voluntary furlough up to a maximum of 240 hours, prorated for standard work hours (approximately 30 days) during a fiscal year of July 1 to June 30. Below are examples of furlough requests:

- Reduce weekly hours worked (e.g., from 40 to 36 or 32 hours)
- Reduce days in a work week (e.g., from a 5 to 4 day workweek)
- Request specified time off (e.g., take off 1 day a month)
- Absence for 1 pay period or more (e.g., 3 weeks off with a required combination of a vacation request and accrued time coded)

Employees can participate in the Voluntary Furlough Program at any time during the fiscal year. If personal matters arise, an employee may request to cancel their approved voluntary furlough time off.

Examples of how you can use voluntary furlough unpaid time off are: to help meet temporary needs related family care and educational needs, to extend a vacation, to stretch a holiday or pursue educational opportunities.

2. Who is eligible to participate in the Voluntary Furlough Program?

All regular employees are eligible to participate in the Voluntary Furlough Program. Represented and non-represented employees may participate in the program. Probationary employees can also participate in the program.

Temporary employees may not participate in the Voluntary Furlough Program.

3. Does my supervisor need to approve my Voluntary Furlough request?

Yes. The [Voluntary Furlough Request Form](#) needs to be completed by an employee and submitted to their supervisor for approval.

A request may be denied by the supervisor due to business need if the leave does not result in savings to the organization, or overtime by the employee or a co-worker would be

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required in order to cover the furlough request. It is recommended to submit all requests to your supervisor as early as possible for consideration.

The Division Manager has final approval of all Voluntary Furlough requests. There is no appeal process for furlough requests that have been denied.

4. How many hours (or days) per fiscal year can I furlough?

An employee may take up to of 240 hours (approximately 30 days), prorated for standard work hours, off as unpaid time during the fiscal year (July 1 to June 30).

An employee cannot reduce their regular work schedule on an on-going basis below 20 hours a week.

If an employee requests an extended furlough beyond the maximum 30 days or the long-term reduction of hours, a PAF Preparer should work with the ERC to make this change. These options are outside of the Voluntary Furlough Program guidelines and will be treated the same as all regular part-time work assignments. Benefits will be based upon part-time employment guidelines in the labor agreement and the APM. These requests require approval from your supervisor. If an employee is interested in these options, it is recommended employees meet to discuss this with their supervisors.

5. How many hours must I maintain in leave accruals to use Voluntary Furlough hours?

You must maintain a minimum number of accrued leave that is equal or greater to the number of leave hours you are taking in any given pay period.

6. Do I have to take full days off?

No. Supervisors will approve Voluntary Furlough schedules, which can include partial days.

7. Is there a minimum number of hours I need to code in a pay period to qualify to use Voluntary Furlough hours in a pay period?

Yes, if an employee plans to take an entire pay period off as furlough, a minimum of 16 hours needs to be coded the appropriate leave to cover required FICA payroll contributions and other deductions.

8. What is the minimum time allotment that I can code on my time sheet?

The minimum time that an employee can code on their time sheet for furlough is the same minimum time that can be coded for other pay codes (per union contract).

9. As a non-represented (exempt) employee should I work more than 40 hours in a week that I am taking voluntary furlough time?

A non-represented (exempt) employee is recognized as non-exempt (hourly) and would be eligible for overtime compensation during a week furlough time is taken. In order to avoid overtime compensation, non-represented (exempt) employees cannot work more than 40

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hours of **work and EEH (extra exempt hours)** during a week an employee takes voluntary furlough time.

Work Schedule Example:

Hours	Mon	Tues	Wed	Thurs	Fri
Work TIME CODE	8 REG	8 REG	8 REG	8 REG	
Furlough TIME CODE					8 VFH
EEH PAY CODE (Employees cannot use Earn Code = EEH during Furlough Weeks)	OT1 Pay Code Instead of EEH if: Work Hours+ EEH (OT1) + Furlough Hours = 40 hours or less	All Work Hours over 40 hours are coded OTS instead of EEH	EEH (OTS1) counts toward hours worked Exempt Employee should not work more than 40 regular hours of work and EEH (OTS1) hours in order to avoid overtime. In Above Example: Employee cannot work more than 32 work hours (regular schedule and EEH [OTS1] hours) in order to receive full budget savings of 8 hour furlough request.		

Reminder: Voluntary furlough time **does not** count toward the regular work hours required before eligibility of overtime.

During a week that a non-represented employee takes furlough hours, the employee is not able to flex time (e.g.; leaves 2 hours early on the first Monday of the pay period and work 2 hours extra the next Monday of the pay period) over the pay period but has to take flex time within the same work week.

During a furlough week that a non-represented (exempt) employee is converted to an hourly status, care must be taken to ensure that hourly FLSA rules are observed. Such employees must be allowed two rest periods per day and a meal period.

The purpose of the program is to help reduce salary costs, so overtime is discouraged for employees requesting voluntary furlough time off; overtime should only be allowed when it is unforeseen and unavoidable. Supervisors should not approve voluntary furlough requests that would result in overtime for the employee or a co-worker.

10. If my vacation accrual is at the maximum limit, can I still participate in the Voluntary Furlough Program before I use my vacation time?

Yes. An employee may still request voluntary furlough unpaid time off if their vacation accrual is at the maximum limit.

11. Can I add voluntary furlough to paid vacation days or holidays? Will I be paid for a legal holiday if I add it to a voluntary furlough request? Can a holiday be taken as voluntary furlough?

Yes. Employees may use voluntary furlough unpaid time to extend holiday and vacation time.

An employee is eligible for the paid holiday, even if they take voluntary furlough time before or after a holiday. Employees cannot use a holiday to count for voluntary furlough time.

12. Can I use vacation or compensatory time as part of my Voluntary Furlough request?

Yes. An employee may use any combination of approved paid or unpaid hours in a pay period. For example, an employee may take a week off by combining 3 vacation days and 2 voluntary furlough days.

13. Can I take Voluntary Furlough while I am on FMLA/OFLA? Can I code furlough hours in place of coding sick hours?

Yes. An employee may combine voluntary furlough unpaid time off with their FMLA/OFLA time off. Furlough hours may be used in place of sick hours.

14. Can I be on Voluntary Furlough and still be on-call or on stand-by?

No. A supervisor should relieve an employee of all duties during their voluntary furlough unpaid time off.

15. Will my benefits or employment status be affected if I participate in the Voluntary Furlough Program?

The following list of items is not impacted by voluntary furlough unpaid time off:

- Health Insurance Benefits
- Cell phone and auto stipends
- Vacation and sick leave accrual
- City Paid Life Insurance and Long-Term Disability
- Auto payoffs (e.g., shift holidays)
- Probationary period
- Step increase eligibility
- Seniority

The following list of items is impacted by an employee's voluntary furlough:

- Social Security is paid as a percentage (%) of actual earnings
- Deferred Compensation Benefit for Non-Represented, AFSCME and EPEA-represented is paid as a percentage (%) of actual regular earnings
- Flexible Spending Accounts (FSA) may be impacted. Please contact Employee Benefits to discuss your specific situation.
- Employee Paid Portable Term Life

The impact on other additional pays will depend if the pay is calculated on a flat amount or percentage (%) of salary basis. Additional pays that are calculated on a flat amount (e.g., uniform pay) will not be impacted while an employee is on furlough. Additional pays (e.g., bilingual pay) that are calculated on a percentage (%) of salary will be impacted due to the reduced salary received while on voluntary furlough. For more information on impact to pay, an employee can check with their supervisor or department timekeeper or see question #17.

16. How is PERS/OPSRP impacted by the Voluntary Furlough Program?

Membership: If you are a member of PERS or OPSRP, your membership will continue while you are on a leave of absence, so long as you perform at least 600 hours of service in a calendar year.

OPSRP

If you are a new employee, you become an OPSRP Pension Program member if you work six full calendar months in a qualifying position. Your six-month waiting period cannot be interrupted by more than 30 consecutive working days.

Creditable Service is the number of years and months of PERS/OPSRP covered employment used to calculate your retirement benefits. Creditable service is not granted for leaves of absence without pay over 11 days per month.

Benefits:

Member Contributions –The City of Eugene contributes a percentage of your salary to the Individual Account Program for AFSCME-, EPEA-, IATSE-, and Non-Represented members. IAFF-, and IAFF BC-Represented employees pay the percentage contribution themselves. If you take unpaid leave, this will reduce your salary and will also reduce the total contribution to your IAP account.

Benefits Calculations – Final Average Salary

Tier One and Two Members:

Weblink: <https://apps.pers.state.or.us/pers238/A-Z-Project-Chapter-238.htm>

OPSRP:

Weblink: <https://apps.pers.state.or.us/opsrp/A-Z-Project-Chapter-238a.htm>

Benefits Estimator

Weblink: <https://www.oregon.gov/pers/MEM/Pages/Benefit-Estimates.aspx>

(Note: If information not entered correctly, the Benefits Estimator may calculate furlough hours for all remaining work years.)

Information above is from the Oregon PERS website at <http://oregon.gov/PERS/>. Voluntary furlough is considered the same as other unpaid leave for PERS calculations.

17. What happens to the payroll deductions taken from my paycheck while I am on Voluntary Furlough?

Payroll deductions will continue being taken from your paycheck during voluntary furlough. An employee can go to <http://www.paycheckcity.com/> (one of many internet paycheck calculator sites) to calculate the impact voluntary furlough may have on their paycheck.

The impact would be different depending on the benefit. If an employee's check is not enough to cover the deferred compensation deduction, no contribution will be made during that pay period.

Also, if the employee's paycheck is not enough to cover additional payroll deductions (e.g., charitable contributions, employee parking, union dues, health benefits), these deductions will be taken out of the next pay period that can fully cover the deductions. FSA deductions must be paid – make arrangements with Benefits staff to cover deduction by prepayment or adjusting deduction amount higher prior to furlough. Employees should contact Employee Benefits to discuss how Voluntary Furlough would impact FSA deductions.

The situation above is more likely to occur when an employee is taking an extended furlough leave in a pay period. While we tried to solve for this potential gap by requiring a minimum number of hours that must be coded per pay period (See Question 7), there is a chance that the hours coded will not be sufficient to cover all deductions.

18. How do I sign up for the Voluntary Furlough Program?

An employee can sign up for Voluntary Furlough by completing the following steps:

- Complete and sign the Voluntary Furlough Request form
- Give the completed form to the supervisor for approval
- Request an Absence through PeopleSoft or Use Time Reporting Code VFH on the time sheet (for Kronos users) to show voluntary furlough unpaid time

Note: Supervisor must submit the approved Voluntary Furlough Request form to the Employee Resource Center before the employee's Voluntary Furlough hours will be able to be used.

Note: Salary reductions for voluntary furlough unpaid time off are applied in the pay period the furlough time is taken.

19. Whom should I contact if I have additional questions about the Voluntary Furlough Policy?

- **General questions:** Check with your supervisor first
ERC - ERC ext. 5061
(ERC Lead Program Coordinator Info to be added)
- **Payroll questions:** Payroll Staff ext. 5031
E-mail: *Eugene Payroll