

Cost Saving Measures – Furlough FAQ

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Furlough Matrix

The matrix below is revised guidance related to employee furloughs required by non-represented employees. This matrix considers salary bands and hours worked to determine a more equitable distribution of furlough in response to the financial impacts of the COVID-19 pandemic.

Please refer to the matrix below in determining how furlough time is to be calculated. Human Resources business partners have information related to individual employees and will be able to assist bureaus in their assessment and implementation.

Hourly Rate of Pay	>\$42.25	\$29.55 - \$42.25	<\$29.55
Annualized Salary	\$87,900.01 or more	Between \$61,464 - \$87,900	\$61,463.99 or less
Hours Scheduled Per Pay Period	Furlough Hours Required		
72 -80	80	40	0
64-71	70	35	0
56-63	60	30	0
48-55	50	25	0
40-47	40	20	0
< 40	0	0	0

The living wage for an individual with one dependent in Multnomah County is \$29.55 per hour which amounts to \$61,464 annually. The 2019 Median Income for a family of four in the Portland-Vancouver-Hillsboro MSA is \$42.25 per hour, which amounts to \$87,900 annually.

<https://beta.portland.gov/sites/default/files/2020-02/2019-ami-rents-phb.pdf>

General Questions

1. Is the furlough requirement for 80 hours unpaid or for 10 days unpaid?

The original guidance was for 10 days, or the equivalent of 80 hours if the employee worked an alternative schedule. As noted above, the number of hours or days required has changed for some employees; refer to the furlough matrix ([Furlough Matrix](#)). The furlough days can be taken one day or two days per pay period, one week or two weeks at a time as approved by the bureau.

- **Tom's e-mail dated April 14th stated that employees can take 1 or 2 days per pay period or a one-week increment. Can employees take a one-time, two-week furlough?**

Bureaus have discretion and will determine how furloughs will be taken based on operational needs.

2. Will employees receive official furlough notices for unemployment purposes?

Unemployment insurance is a state program, and Tom Reinhart's e-mail dated April 14th serves as the City's official notice regarding furloughs. Employees should check with their state on eligibility requirements. See your Human Resources business partner for additional questions.

The City's application has been approved for participation in Oregon's Work Share program, which simplifies the process for obtaining partial unemployment insurance. Because Work Share is a state program, the City does not determine eligibility nor entitlement to benefits. If you are interested in participating in Work Share, please refer to the Work Share FAQ ([here](#)) for additional information and how to apply.

3. Can furlough time be taken in partial days? Is this different for exempt (salaried) and non-exempt (hourly) employees?

Non-exempt (hourly and subject to overtime) employees can take furloughs in 4-hour increments. Exempt (salaried) employees are required to take full days based on the employee's schedule, except if required, on the last day to meet their equivalent hours. For example, if an employee is required to take 80 hours of furlough and has taken 74 hours, the remaining 6 hours can be taken on the last day to meet their 80 hours of furlough requirement.

- **Will there be any restrictions on how furloughs can be taken, for example, prohibiting employees from taking it all at once?**

Furloughs can be taken one or two days per pay period, one week or two weeks at a time as applicable or in other work week configurations as approved by the bureau. Each bureau will provide more information on how furloughs will be implemented.

4. If an employee is on a leave without pay for 80 hours during the furlough period, are they still required to take a furlough?

Currently, the furlough directive includes all non-rep employees who are working. Employees who are away from the workplace are not subject to furlough during the period they are out. If the employee returns to paid status between April 30 and October 31, 2020, their supervisor will work with them to implement the required furlough days as appropriate.

5. Are contractors included in furlough?

No, contractors are not City employees. However, bureaus may want to consider decreasing contractor schedules as able, from April 30 – October 31, 2020.

6. If an employee is in a grant-funded position, will they still be part of the furlough?

Grant-funded positions will be reviewed by their bureau on a case by case basis. Things considered for exemption are:

- The impact furloughs will have on the grant funding received
- The timeline on the grant
- Rules with the grant, what makes it null and void
- The urgency of the work being performed

7. Are casual employees included in furloughs?

It depends on a casual employee's standard hours and pay. Refer to the furlough matrix ([Furlough Matrix](#)).

Employees

1. If employees are required to take furlough days before July 2020, will the federal government provide additional unemployment benefits to employees?

Unemployment is a state program; employees should check with their state on eligibility requirements and if they have questions about the program.

2. Can an employee voluntarily donate, or forfeit, the applicable amount of accrued vacation or sick leave time instead of taking non-paid furloughs?

The City is committed to saving jobs and restoring financial well-being as quickly as possible. Employees cannot use accrued time in place of non-paid time. Taking a vacation day or using sick leave accruals do not provide a cost savings to the City, which is the intent of the furlough program.

3. If an employee has applied for short term disability and expects to be paid through Standard Insurance, can their time off for short-term disability also be counted towards their 10 furlough days?

Currently, the furlough directive includes all non-rep employees who are working. Employees who are away from the workplace on short-term disability would not be subject to furlough during their period of disability. If the employee returns to the workplace between April 30 – October 31, 2020, their supervisor will work with them to implement furloughs as appropriate.

4. Has any consideration been given to the idea of having employees opt for taking more furlough time in exchange for receiving their merit and or COLA increases?

Taking the suggested approach would create pay inequities for non-represented employees, and it would be difficult to administer and track individual decisions.

5. Is the level of service expected to decrease with the furlough hours?

It is expected the City may experience some delays in service due to furloughs.

6. In lieu of furloughs, can employees consider a “voluntary” pay cut that would yield the same outcome and allow the employee to continue working?

No, at this time the City is not considering a direct salary/hourly wage cut to address the financial impacts of COVID-19.

7. Does the \$75 million estimated shortfall, prompting the furlough, get fixed with the \$114 million in federal money received by the City?

Current federal rules do not allow this money to replace lost revenue or pay for already budgeted personnel costs. The City is continuing its evaluation of the guidelines for how these funds can be used.

8. If an employee is planning to retire soon, are they required to take furlough days?

No, employees who provide written notice of retirement that is effective on or before January 31, 2021, will not be required to furlough. However, the employee's bureau must commit to holding the vacant position open to recognize the equivalent value of the missed furlough period.

- **Is the City considering implementing/offering retirement incentives during the furlough timeline of April 30 to October 31, 2020?**

There is no plan to offer incentives currently. Final payouts and any additional incentive funds would not yield the short-term cost savings the City needs to address the financial impacts of COVID-19.

9. Will non-represented employees be required to take more furlough days if union members are not required to take furloughs or other cost savings cuts?

City Council is committed to a shared approach and will not ask non-represented employees to take additional furlough days in response to collective bargaining. However, the full financial impacts of COVID-19 are not known yet and City Council may be required to make additional cuts and/or furloughs during the 2020-21 fiscal year.

- **Can represented employees voluntarily take furlough, regardless of whether mandatory furlough is an outcome of union negotiations?**

Not at this time, however, we continue to work with our labor partners and will roll out information as agreements are made.

10. For employees on a non-standard schedule, how is furlough time applied?

Supervisors and employees should manage so that they reach the furlough time required for each employee. Bureaus have flexibility based upon operational needs or employee preference. As an example, an employee could request a temporary change to their schedule (if they normally work a 9/80 schedule, they could choose to furlough for five 8-hour days)

11. Can employees work for another employer during their furlough days?

Yes, provided there are no conflicts of interest and no violation of the ethics clause. ([HRAR 11.01](#))

12. Are temporary employees whose assignment end during the furlough period required to take furlough days?

No, if a temporary assignment ends within the furlough period, April 30 – October 31, 2020, those employees would be exempt from participating in the furloughs.

13. Can employees check email, accept a professional phone call or take care of urgent tasks during a furlough day? What if they keep their work to minimum, the way they might during a vacation?

No, for legal reasons, employees cannot perform work on the days they take furlough. This limitation includes not checking emails, answering work calls or completing any other work-related tasks. If employees exceed their regular hours, they must be compensated. Employees should also not exceed their regular daily hours during the work week that they take a furlough.

14. Will employee's healthcare coverage or vacation, sick leave accruals be impacted by the furlough requirements?

No, employees healthcare coverage and the level of sick and vacations accruals an employee would normally receive will not change during any required furloughs.

15. Is the salary for furlough calculation based on a specific date?

Yes, to determine how many days of furlough an employee is required to take, it is based on salary/hourly rate as of April 30, 2020. E.g. if an employee's eligible merit is processed in May with a retroactive date, the furlough calculation is based on the employee's salary/hourly rate as of April 30, 2020.

16. For employees expecting to be on FMLA/OFLA between April – October 31, 2020, will they be required to furlough after FMLA/OFLA ends or can they take furloughs during their leave?

Employees may ask to take their furlough days in lieu of their approved FMLA/OFLA leave and would need to make such request to their supervisor/manager. Approved furlough days taken will not count towards an employee's FMLA/OFLA leave entitlement. An employee can also request to take furlough days after their FMLA/OFLA leave period ends, if this is prior to October 31, 2020.

17. How do furloughs apply to new non-represented employees to the City during the furlough period, April 30 – October 31, 2020?

Managers/supervisors, work with your Human Resources Business Partner to determine proration.

18. How do furloughs apply to represented employees promoted to non-represented positions during the furlough period, April 30 – October 31, 2020?
Managers/supervisors and employees, work with your Human Resources Business Partner to determine proration.

19. Can the furlough hours be used to meet the 2 weeks unpaid requirement for expanded FMLA (E-FMLA)?

No. If an employee is on furlough, they are not entitled to take FFCRA paid sick leave or expanded FMLA (E-FMLA). Eligible employees may elect to use FFCRA emergency paid sick leave or use their own leave accruals, though, during the first 2 weeks of unpaid expanded FMLA (E-FMLA) leave.

Managers/Supervisors

1. How many furlough days are employees required to take?

Please refer to the furlough matrix ([Furlough Matrix](#)).

2. Can an employee voluntarily reduce their hours to 72 hours per pay period (or lower) until October (rather than taking 10 furlough days)?

Employees' standard hours should not be changed during the furlough period as a step to meet the furlough requirements. Once the furlough requirements have been met, the employee could request a reduced schedule. Consistently managing the process will ensure furlough hours are recorded and tracked. It will also enable BHR to report on furlough cost savings and participation. Reduction of standard hours will have benefits implications.

3. What rules or structures will be in place to ensure that employees are not unexpectedly called in to work on furloughed days?

Bureaus and managers will be expected to manage employee furlough days and ensure the applicable hours are fulfilled between April 30 and October 31, 2020. If an employee is suddenly required to report to work on a scheduled furlough day, then the employee will be compensated for work performed and a new furlough day will need to be scheduled.

4. Can furloughs be applied retroactively from the beginning of the emergency?

No. However, if an employee has taken a furlough day since the requirement was announced on April 10th and approved with their manager and/or supervisor, the

furlough day will be honored. Timekeepers will need to track it manually until the furlough code becomes available on April 30th.

5. Can an employee take furlough days during City paid parental leave?

Parental leave must be taken in one continuous period, up to a maximum of six calendar weeks. Furloughs are a cost-saving measure for the City. Parental leave is paid time and would not offer the City any savings. The employee will still be required to take the applicable days or hours of furlough, before or after their City Paid Parental Leave.

6. Will an employee who returns to work, on a reduced schedule, following parental leave be required to take furlough days before October 31, 2020?

Furlough days required are based on the matrix ([Furlough Matrix](#)). Employees are required to take the allotted furlough days within the remaining furlough period. Employees should work with their supervisor and Human Resources business partner for additional questions.

7. Can employees take furlough days around a City paid holiday and have the holiday count as a furlough day?

Yes, if the furlough day is on the day before or after a holiday, the holiday will be paid.

Friday	Monday (Memorial Day)	Tuesday
Furlough	Furlough	Furlough
Work	Furlough	Vacation
Work	Furlough	Work
Furlough	Paid Holiday	Work
Work	Paid Holiday	Furlough
Furlough	Paid Holiday	Furlough
Work	Paid Holiday	Work

8. How are FLSA Exempt (salaried) employees impacted during furloughs?

FLSA Exempt (salaried) employees' status changes from exempt to hourly for the work week of the furlough(s). This means they are required to be paid for all time worked. If they work during their furlough they must be paid, and if they work more than 40 hours, the City is required to pay them overtime. For the work week they do not have a furlough day, they remain FLSA exempt.

9. Can a FLSA Exempt employee use partial day absences (PDA) in the same work week as a furlough?

During the work week that a furlough is taken, a FLSA Exempt employee's status changes to covered and therefore would not be eligible for PDAs for that week.

Bureaus

1. If the federal government reimburses the City for lost revenue, would the City pay the furlough back?

The City does expect reimbursement from the federal government for some expenses directly related to COVID-19, however, not for revenue losses due to the pandemic or to replace current budgeted expenses (like personnel costs). An assessment of the City's finances will be completed, and decisions will be made if reimbursements can occur on the various cost saving measures.

2. Will the City consider the financial stress for staff whose partner/spouse has lost their job? Is the furlough being implemented equitably?

City Council, the City Budget Office, Human Resources and Office of Equity and Human Rights continue to consider disparate impacts of the pandemic and how the City can implement different strategies to ensure cost-saving measures are as equitable as possible.

3. What are the impacts for employees retiring in the next three years?

Since individual employee situations are different, employees should contact PERS or their financial advisor to determine specific impacts.

4. Are employees retiring in 2020 required to do furloughs?

Employees who provide written notice of retirement effective January 31, 2021, or sooner, will not be required to furlough. However, the employee's bureau must commit to vacancy savings, equal to the required furlough days.

Administrative

1. Can employees continue to use sick time (coded COVID) during the time period that the furlough is in effect?

Sick leave, for any reason, can continue to be used as applicable but not in lieu of furloughs. Designated furlough days are unpaid leave days.

2. What if someone is on long-term disability?

Employees on long-term disability are not subject to furloughs. If an employee is medically released to return to work from long term disability between April 30 and October 31, 2020, their supervisor will work with them to implement furloughs as appropriate.