

**Frequently Asked Questions (FAQ)**  
**Executive Order S-16-08**  
**2/5/09**  
**Furloughs and Layoffs**

As a result of the unprecedented financial crisis facing the state of California, the governor has declared a fiscal emergency and issued an [Executive Order](#) that affects every DGS employee. At the heart of the plan is a mandatory reduction in pay equivalent to two days per month or 9.23 percent of base salary. Where the Department of Personnel Administration (DPA) has provided clarification to the governor's executive order, the information is provided under the appropriate topic.

**Furloughs**

The Furlough Program begins with the February 2009 pay period and continues through the June 2010 pay period. During this time, all state employees will have two unpaid days off each month. Most state offices and general government operations will be closed on the first and third Fridays of each month. The Furlough Program is subject to change through court or legislative action and through bargaining.

The Executive Order charges DPA with defining and adopting a plan to implement the order. Information is provided below based on the language in the Executive Order and may be subject to change based on the final DPA plan.

**What does "furlough" mean?**

A furlough is defined as a temporary leave of absence without pay during a prescribed time for an employee.

**What does the furlough mean to me?**

All DGS employees will conform to this furlough schedule except where the State and Consumer Services Agency has specifically approved a deviation from the furlough schedule.

- The furlough schedule as determined by DPA will be on the first and third Friday of each month, starting February 2009, and continuing until June 30, 2010.
- Full-time employees will be furloughed the equivalent of two days per month, a total of 34 days over the next 17 months. Intermittent employees will be furloughed based on the number of hours they work in a month.
- Furlough hours have no cash value and may not be cashed out.

- Employees get no money for furlough hours leftover when they separate.
- Employees must use their furlough hours before they separate.
- Employees can't donate furlough hours or transfer furlough hours to other types of leave credit.
- For most employees, furlough hours must be used during the pay period.
- Employees allowed to accumulate furlough hours due to operational needs and based upon agency-level approval must use their furlough hours within two years after the Furlough Program ends.

### **Who does the furlough program apply to?**

The Furlough Program applies to all DGS employees other than those exempted in [Executive Order S-16-08](#).

### **Does the furlough program affect my pay or benefits?**

Neither employee benefits nor retirement will be affected. As such, the amount of an employee's contributions toward retirement will also not be affected and will remain unchanged.

The Furlough Program doesn't affect state service credit, leave accruals, medical benefits, dental benefits, lump sum payments, retirement benefits, military leave compensation or supplemental pay, disability leave payments for employees receiving Temporary Disability, Industrial Disability Leave, Non-Industrial Disability Leave, LC4800 time, SDI, or Involuntary Leave and supplemental payments. However, when an employee returns to partial work, the hours they work will be affected.

As a result of the furlough, salaries will be adjusted by the State Controller's Office (SCO) to reflect two nonwork days. The adjustment applies only to the employee's base salary.

### **What if I'm in an office that can't close and I have to work on a furlough day?**

If your operation can't close, and has an **approved** self-directed furlough plan, several options will be managed by departments:

- Where services must continue and employees normally must work on furlough, employees will be allowed to choose which two days they take off each month. Supervisors must approve the days chosen.
- For posted positions in 24/7 facilities: Management will work with employees to determine which two days in the month will be taken off. When this is not operationally feasible and would jeopardize security,

health or safety, management will work with employees to select time off in the future.

**If I am required to work on a scheduled furlough day, will my pay be reduced?**

Your pay will still be reduced, because you will be required to take your furlough day at another time.

**How do I post furlough time in PAL?**

ABMS has established a new PAL Global Alias to accommodate the Furlough Program.

Users will now see a new blue highlight in PAL weekly and monthly calendars on the first and third Fridays of the month.

- Full-time employees shall post eight hours to the new PAL Global Alias “FH-USE” on the first and third Fridays, unless an agency-approved self-directed furlough applies.
- For employees approved to work on a furlough day:
  - Enter hours worked as you would on a normal work day using personal aliases or Maximo/eTracker global aliases, projects, tasks and expenditures.
- For employees using their furlough credit on an alternate day:
  - Enter eight hours to the PAL Global Alias, “FH-USE.”

**I’m on an Alternate Work Schedule. How will I be affected?**

To the extent possible, employees are encouraged to align their Regular Day Off (RDO) to the first and third Friday of each month. Alternate workweek schedules are a part of a negotiated program between the state and the employee unions. The DPA has requested advice from the unions on ways to mitigate the impact of furloughs on these schedules. Until further notice, the DGS Office of Human Resources (OHR) has provided the following direction to managers:

- Changes to alternate workweek schedules should be made on an individual basis.
- Align changes with business and operational needs.
- Ensure that the appropriate noticing period, as outlined in the various bargaining contracts, is provided to the employee.

The DGS OHR will continue to keep you informed as it receives additional information from DPA. Currently, sample alternate workweek calendars are available on DPA’s Web site, but employees are not required to use them as is. Employees and their supervisors can adjust the calendars to meet departmental and employee needs, but you must ensure the workweeks comply with FLSA. DGS OHR will provide assistance to attendance clerks upon request.

**How will overtime be impacted?**

Furlough days do not count as time worked for determining overtime in the workweek.

Departments are being directed to manage furlough days so they don't incur overtime pay or contract for services to cover for employees who are taking furlough days. SCO will reduce departmental budgets for the two furlough days and will not be augmented for overtime pay to supplement behind the furlough.

**Can I use vacation or personal leave time in lieu of furlough days?**

No, the furloughs are a mandatory reduction in pay equivalent to two days per month.

**Layoffs****Will a layoff list be established for DGS?**

The Executive Order specifically addresses the issue of layoffs only for general funded agencies. The DGS is not a general funded organization. The department does not anticipate layoffs.

**Can the DGS hire contractors to take up the workload?**

The Executive Order specifically prohibits entering into personal services or consulting contracts to perform work that is required as a result of the furloughs or layoffs.

**What other areas of the department are impacted by the furlough?**

DGS has compiled a listing of the impacts to most of its operations that support external customers. [You can view that Web site here](#)

**How can I stay up to speed on the latest information?**

The DGS will post any new information on the department intranet. DGS OHR will be updating the FAQs specifically about this situation—for further information, or specific questions about your situation, please call OHR at (916) 376-5400.

You can also e-mail your questions to [dgspublicaffairs@dgs.ca.gov](mailto:dgspublicaffairs@dgs.ca.gov).