Montgomery County Government
Frequently Asked Questions
FY2011 Furloughs

1. ***What is a furlough?***[1]
Section 1-27 of the Montgomery County Personnel Regulations ("MCPR"), defines furlough as "a temporary, non-pay status for hours when an employee is normally scheduled to work but does not work for the County or receive pay from the County due to a lack of funds or work, as determined by the CAO."

2. ***What is the purpose of a furlough?***
When there is a budget short fall, the County may reduce employees' pay. A furlough is an equitable way of permitting employees to take time off in exchange for the reduction in compensation.

3. ***What are rolling furloughs?***
Rolling furloughs are days or hours of a day that an employee elects, with supervisor approval, to take furlough hours to which they are entitled.

4. ***Why use rolling furloughs instead of furloughing employees on specific days?***
A rolling furlough allows the County to reduce operating costs and also to remain open and continue to provide services.

5. ***Which employees will be furloughed?***
All full-time and part-time employees are subject to furlough. Temporary employees and employees on the minimum wage/seasonal salary schedule will not be furloughed.

6. ***How many furlough hours are employees required to take in FY2011?***
The County Council Resolution No.: 16-1373 requires that effective the pay period beginning July 4, 2010 full-time employees will be furloughed according to the following:
   - Employees with an annual base salary less than $50,000 must take 24 furlough hours. This equates to an employee taking approximately 1 hour of furlough leave per pay period.
   - Employees with an annual base salary between $50,000 and $100,000 must take 40 furlough hours. This equates to an employee taking approximately 1.66 hours of furlough leave per pay period.
   - Employees with an annual base salary greater than $100,000 must take 64 furlough hours. This equates to an employee taking approximately 2.66 hours of furlough leave per pay period.

7. ***How will furloughs be pro-rated for part-time employees?***
Payroll will use the employee's part-time/full-time percentage designated in the Human Resources Management System (HRMS) as the basis for prorating furloughs. For example, a part-time employee whose percentage is 50% in HRMS has a full-time equivalent salary of $60,000 but actually earns $30,000 per year. Based on the full-time equivalent salary, the furlough hours the employee is required to take (40 hours) would be pro-rated by 50% (40/50%= 20 hours). The employee's hourly rate would be $28.85 ($60,000/2080=28.85) The total amount of furlough dollars will be $28.85 *20 hours=$577. Payroll will divide

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[1] **The administration of furlough procedures affecting represented Police and Fire Rescue employees may differ from the above since discussions between the County and the respective Unions are still ongoing.**

$577 by 24 pay periods=$24.04. The employee will have $24.04 deducted for 24 pay periods.

8. How will furloughs be pro-rated for 10 month employees?
To calculate the pro-rated furlough hours multiply the full-time equivalent salary by .833 (10 months divided by 12 months). For example, For example, a full-time 10-month school employee who makes $40,000 would be required to take 24 furlough hours. The pro-rated calculation is 24 hours multiplied by .833 which equals 20 prorated furlough hours the employee would be required to take. The employee's hourly pay would be $40,000 divided by 2080=$19.23. The $19.23 is multiplied by the prorated 20 furlough hours which equals $385 as the total furlough deduction amount. Payroll will spread the $385 furlough deduction over 12 pay periods beginning December 19, 2010 (for pay day January 14, 2011) through June 4, 2011 (for pay day June 17, 2011), which equals a $35.00 (384/12) per pay period furlough deduction amount.

9. Are there a minimum and maximum number of hours which an employee can be furloughed in a workday?
There are no minimum numbers of hours which an employee can be furloughed in a workday. However, employees cannot be furloughed for more than their regularly scheduled hours in a work day.

10. What is the first date that an employee can take furlough hours?
July 4, 2010, is the first date that employees can begin taking furlough hours, with supervisory approval. 10 month school employees may begin taking furlough hours during the 10-months that they are scheduled to work.

11. What is the last date that an employee can take furlough hours?
The last date that an employee can take furlough hours is June 4, 2011.

12. How should employees request furlough?
Employees should submit a written request preferably by email to their supervisor stating the date or dates they wish to take furlough and the number of leave hours for the specified date(s). Supervisors should approve requests for furlough in writing preferably by email as soon as operational needs have been determined.

13. Can supervisors deny employee requests to take furlough hours?
Yes, based upon operational needs, supervisors may determine which employees and how many employees can be furloughed on a particular day(s). Supervisors should try to accommodate employees by giving them the requested number of hours off during that same pay period.

14. What pay code must employees record in MCtime to designate furlough hours?
Employees must use "Furlough" in MCtime to designate furlough hours. All employees in the Police Department will use TeleStaff to record "Furlough". Employees in other Departments that use the Crew Day Card system will use the Crew Day Card system to record "Furlough."

15. How will payroll deductions for furlough hours be taken?

For full time employees, payroll will spread the value of the designated furlough hours (either 24, 40, or 64 furlough hours) over 24 pay periods. The first deduction will occur on the pay date of July 30, 2010 and the last deduction will occur on the pay date of June 17, 2011.

16. What salary will be used to determine an employee's hourly rate of deduction for FY2011 furlough hours?

The employee's annual base salary (which includes longevity increment) on July 4, 2010 will be the basis for calculating the bi-weekly hourly deductions for the furlough period. Employees hired on or after July 4, 2010, will use the annual base salary on date of hire to calculate deductions on a pro-rated basis.

17. How will Payroll calculate the salary deductions?

The salary deduction formula will be based on the number of required furlough hours reflective of the employee's annual base salary divided by 24 pay periods.

Example: An employee's annual base salary is $60,000 per year. The employee is required to take 40 furlough hours during FY2011. The employee would be furloughed for 40 hours and the pay deducted from the check will be 40 hours times the hourly rate. The hourly rate is $28.85 ($60,000/2080=28.85). The $28.85 is multiplied by the number of required furlough hours of 40. The total amount of furlough dollars will be $1154. Payroll will divide the $1154 by 24 pay periods which equals $48.08. The employee will have $48.08 deducted for each pay period for 24 pay periods. The furlough deduction will appear on the employee's pay advice under the code "FUA".

18. Who is responsible for ensuring that furlough hours to which an employee is entitled are taken?

It is the responsibility of each employee to request furlough hours to which they are entitled. Supervisors are responsible for approving, monitoring, and enforcing employee use of furlough hours.

19. ***What tools will supervisors and employees have to help manage the furlough process?***

a. MCtime will provide guidance on their website on how to review leave balances, including furlough balances on a regular basis. This information can be found on the MCtime website: www.montgomerycountymd.gov/mctime.

b. In the pay period ending April 23, 2011, the Office of Human Resources will prepare a furlough hour report for County Department Directors and Supervisors that will show the total number of furlough hours taken by each employee.

20. What will employees see on their pay advice?

Under the column titled *Type of Pay*, employees will see the code "FUR," and next to that code under the Hours column employees will see the number of furlough hours taken in the pay period if applicable. Under the column titled *Type of Pay* employees will see the code "FUA," and in that same row under the column titled *Gross Amount* the employee will see the dollar amount deducted from the employee's pay in that pay period. It will be approximately the same dollar amount for 24 pay periods.

21. ***What happens if an employee separates from County service after the County has deducted the value of the furlough hours and the employee has not taken the number of furlough hours to which he or she is entitled?***

It is expected that employees will use the entitled amount of furlough hours before they separate from County employment. If an employee separates from County service after the County has deducted the value of the furlough hours from the employee's pay, the County retains the value of the furlough hours already deducted because the employee was given the opportunity to and was entitled to take the furlough hours in FY2011. Following is an example of an employee who leaves County service after having six pay periods of furlough hours deducted but did not take any furlough hours.

- The employee's last day of work was December 17, 2010.
- Based on the employee's annual base salary of $24,000, the employee was given the opportunity and was entitled to take 24 furlough hours if employed with the County within the period of July 4, 2010 through June 4, 2011.
- The employee's hourly rate is $11.54 ($24,000/2080).
- Each pay period the furlough deduction for this employee is $11.54 (the value of 24 hours of furlough divided by 24 pay periods).
- Payroll deducted the value of 12 furlough hours ($138.48) from the employee's pay as of December 17, 2010.
- The employee was given the opportunity and entitled to take 24 furlough hours.
- The employee took 10 furlough hours before resigning on December 17, 2010.
- The employee cannot take any further furlough because the employee's last day of work was December 17, 2010.
- The employee is not owed any money because the County deducted the value of 12 furlough hours although the employee only took 10 furlough hours but the employee had the opportunity and was entitled to take furlough hours prior to leaving County employment on December 17, 2010.

22. ***In contrast to the above scenario in item #21, what happens if an employee takes furlough hours and subsequently separates from County service prior to having the value of the furlough hours deducted from their pay?***

- Upon separation, the County will calculate the amount the employee owes the County. The County will recover any debts (to include furlough hours) from the employee by deducting the value of the furlough hours from any unpaid salary, accrued PTO, annual leave, and/or compensatory leave. Following is an example of an employee who has used furlough hours and separates from the County prior to having the value of the required furlough hours deducted from the employee's pay.
- The employee's last day of work was December 17, 2010.
- Based on the employee's annual base salary of $24,000, the employee was given the opportunity and was entitled to take 24 furlough hours if employed with the County within the period of July 4, 2010 through June 4, 2011.
- The employee's hourly rate is $11.54 ($24,000/2080).
- Each pay period the furlough deduction for this employee is $11.54 (the value of 24 hours of furlough divided by 24 pay periods).
- Payroll deducted the value of 12 furlough hours ($138.48) from the employee's pay as of December 17, 2010.
- The employee took 14 furlough hours before resigning on December 17, 2010.

- The employee cannot take any further furlough because the employee's last day of work was December 17, 2010.
- The employee owes the County the value of the furlough taken (14 hours multiplied by $11.54=$161.56) minus the value of 12 furlough hours ($138.48) that payroll already deducted. So, the employee owes the County $23.08 (161.56-$138.48)
- If the employee has any leave balance, the $23.08 will be deducted from the employee's leave pay out.
- If the employee does not have any leave balance, the $23.08 will be deducted from the employee's final pay check.

23. ***Can an employee take furlough hours before they are deducted from the employee's pay?***

Yes, with the supervisor's approval, employees can take furlough hours beginning July 4, 2010. 10 month school employees may begin taking furlough hours during the 10-months that they are scheduled to work.

24. What happens to unused furlough hours after June 4, 2011?

Employees are entitled to use all of their furlough hours through June 4, 2011. After June 4, 2011, employees will lose the ability to take any remaining FY2011 furlough hours.

25. What if an employee takes leave (annual, PTO, compensatory leave, or compensatory leave top of grade) but did not take the total number of furlough hours to which the employee was entitled during FY2011?

It is the employee's responsibility to see that all furlough hours to which the employee is entitled are requested prior to other types of leave, with the exception of sick leave, personal days, religious leave, FMLA-sick leave, FMLA-annual leave, FMLA with PTO, Parental Leave, Admin Leave-Professional Improvement Leave, Absent Without Official Leave (AWOL), and Admin Leave-Bereavement. Commencing the first pay period in FY2011 and until such time as the employee has used all required furlough hours, any leave that is taken, with the exception of the aforementioned leave categories, will automatically be converted to furlough by the supervisor. Supervisors are responsible for monitoring timesheets for proper coding and changing all leave except sick leave and personal days to furlough until the employee has exhausted all of his or her furlough. If an employee has not taken furlough hours to which the employee is entitled by June 4, 2011, the County still retains the value of the deductions for unused furlough hours.

26. May employees offer to use furlough hours instead of sick leave and personal leave?

Yes, but they cannot be required to do so.

27. Will employees be able to exceed their annual leave accumulation amount by the amount of furlough hours?

For the beginning of Calendar year 2011 only, employees may exceed their annual leave accumulation amount by the amount of furlough hours they are required to take. For example, an employee with an annual base salary of $27,000 will be required to take 24 furlough hours in FY2011. At the beginning of calendar year 2011, the employee may exceed their annual leave accumulation amount by 24 hours.

28. May employees substitute paid holidays for furlough hours?

No.

29. If employees take furlough before or after a Holiday, will they qualify to receive holiday pay?

Yes. However, school-based employees working a 10-month schedule will not qualify to receive holiday pay for holidays that fall outside of the 10-month school year period (July 4, 2010).

30. May employees substitute paid leave (sick, annual, compensatory time or compensatory leave top of grade) for furlough hours?

No.

31. May employees use furlough hours on a regularly scheduled day off?

No. Employees must schedule furlough hours on regularly scheduled work days.

32. Will the furlough affect employee retirement benefits?

No. Employee retirement benefits will not be adversely affected by the furlough.

33. Will employee leave accrual rates be affected by the furlough?

No. Employee annual, sick leave, or crediting of PTO hours will not be adversely affected by the furlough.

34. Will employee seniority be affected by the furlough?

No. Employee seniority will not be adversely affected by the furlough.

35. If employees are on paid workers' compensation leave (Admin Leave – Temp Disability or Disability Leave – Workers' Comp), will they be furloughed?

Yes. Payroll will reduce the employee's pay check by the value of the required furlough leave hours. Upon returning to work, the employee will have the opportunity and will be entitled to take a prorated number of furlough hours. If the employee does not return to work, the County will retain the value of the furlough leave hours.

36. If employees are on Leave Without Pay (LWOP) will they be furloughed?

Employees who return to work after being on LWOP (as defined under Section 23-1 of the Personnel Regulations) for more than 10 days will be furloughed. Upon returning to a pay status, a prorated amount will be taken from each remaining pay check and the employee will be entitled to take a prorated number of furlough hours. If an employee is on LWOP (unless the LWOP is due to suspension) for less than ten days, the employee's leave should be recorded as furlough leave until all furlough leave is exhausted.

37. Can an employee work overtime during the week in which the employee takes furlough hours?

No. An employee should not be allowed and should not be scheduled to work any overtime hours during the week in which furlough hours are taken. Furlough is defined as "a temporary, **non-pay status** for hours when an employee is normally scheduled to work but does not work for the County or receive pay from the County due to a lack of funds or work, as determined by the CAO." (MCPR § 1-27). "A department director must compensate an employee with overtime pay or compensatory time if the employee's total hours in a **pay status** during a workday or workweek exceed the overtime compensation threshold" (MCPR § 10-7(a)). And, an employee must not be allowed to make up furlough hours by working

additional hours at another time. A furlough is a **permanent loss** of work hours (MCPR § 30-2(b)).

38. What happens if a supervisor approves an employee to work additional hours or days during the workweek that furlough is used?
The supervisor should not approve an employee to work additional hours or days during a week in which furlough is used. If an employee works additional hours or days during the workweek in which they take furlough, and those additional hours result in overtime, the supervisor must reduce the furlough hours taken so that the employee does not accumulate overtime while using furlough during the workweek. Supervisors are responsible for approving, monitoring, and enforcing employee use of furlough hours.

39. What happens if a supervisor requires an employee to return to work during furlough?
Every effort must be made to ensure that employees do not report to work and are not required to return to work during their furlough. If a supervisor requires an employee to return to work while on furlough to perform unanticipated work assignments of an emergency nature, the department must give the employee call-back pay. The employee will still be required to take furlough hours for the time worked during the furlough period.

40. Will employees on military leave be furloughed? Upon returning to work from Military leave, a prorated amount will be taken from each remaining pay check and the employee will be entitled to take a prorated number of furlough hours.

41. Do employees have grievance rights regarding furlough?
For non-represented employees, "[a]n employee with merit system status who is furloughed may grieve under Section 34 of these Regulations if the County fails to follow the procedures in this Section. A grievance cannot challenge the CAO's determination as to a lack of work or funds necessitating a furlough." MCPR §30-15(b). For represented employees, the Union may file an appeal if established procedures were not followed.

42. Who should employees contact if they have further questions?
These FAQ's may be frequently updated. As a result, you will find the updated version on the OHR Resource Library under HR Topics/Furlough FAQs.
For questions employees should contact their Human Resources Liaison who will contact Lisa Craft by email at lisa.craft@montgomerycountymd.gov or on phone 240.777.5075 or Kaye Beckley by email at kaye.beckley@montgomerycoutymd.gov or on phone 240.777.5041 in the Office of Human Resources.