The Voluntary Furlough Program will be offered during Fiscal Year 2020-2021. The Voluntary Furlough Program is a meaningful way for interested employees to voluntarily help reduce payroll costs by committing to take a certain amount of leave unpaid next fiscal year, which is particularly important given the anticipated budget shortfall as a result of the current COVID-19 crisis. Descriptions of the Voluntary Furlough Program, guidelines, procedures and responses to some frequently asked questions are included below.

The deadline to submit applications for the Voluntary Furlough Program is Friday, <u>June 12, 2020</u>. If you have any questions regarding the Voluntary Furlough Program, please contact the Office of Employee Relations at 535-8150 or via e-mail at <u>employee.relations@sanjoseca.gov</u>.

The Voluntary Furlough Program was established as a means of reducing payroll costs Citywide. Requests to participate in this program are subject to departmental approval based on service delivery and/or departmental impacts, and will not be approved if the request results in overtime incurred due to the need to backfill a position (i.e. the need to pay someone overtime to work in your absence). When reviewing furlough requests, departments should also be considering the employee's vacation and compensatory time balances.

Additionally, the Temporary Reduced Work Week Program will continue in accordance with the <u>Temporary Reduced Work Week Policy</u> in the City Policy Manual and employees can sign up for this program at any time. Applications should be submitted to the Office of Employee Relations.

Voluntary Furlough Program Description

Both the City and the employees participating in the Voluntary Furlough Program will continue to make contributions to the Retirement System for all paid hours and all regular hours that employees would have worked, but did not work as a result of participating in this program. Employees will not accrue vacation or sick leave while taking unpaid furlough time off.

Full-time, hourly Employees

The Voluntary Furlough Program allows <u>full-time, hourly</u> City employees to *voluntarily* take unpaid leave of up to forty-five (45) hours during Fiscal Year 2020-2021. Based on departmental approval, employees would be able to request to take this time off without pay any time beginning June 14, 2020, through June 12, 2021. Hourly employees may request to use the time consecutively, or use the time intermittently.

Salaried Employees (Employees in classifications represented by ALP, AEA, CAMP and employees in Unit 99)

Salaried employees may voluntarily apply for **forty (40) hours** of unpaid leave during Fiscal Year 2020-2021 to be used consecutively and in the same work week. Based on departmental approval, employees would be able to request this time off without pay any week beginning **June 14, 2020**, **through June 12, 2021**. Salaried employees cannot take single days of unpaid furlough time off.

Time off requests must be coordinated with the employee's supervisor, allowing for flexibility while minimizing insomuch as is possible, impacts to customer service. At the Department's discretion, supervisors may require employees to choose the specific days in advance. Employees who request furlough time off, and are approved for the elected number of hours, are committing to taking the designated time off without pay during Fiscal Year 2020-2021.

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Voluntary Furlough Program Guidelines

Eligibility- Full-time, permanent employees who have been employed by the City for a minimum of thirteen (13) pay periods are eligible to participate. *Employees represented by POA and IAFF, Local 230, are not eligible to participate in the Voluntary Furlough Program.*

Approval Process- Participation is subject to Supervisory recommendation and departmental approval. The deadline to submit applications is <u>Friday, June 12, 2020</u>. Once approved, employees are committing to taking the designated furlough time off during FY 2020-2021, and will be required to do so.

Term- Furlough time off may be taken anytime beginning **June 14, 2020, through June 12, 2021**, with supervisory approval.

Please note that if an employee uses more furlough hours than what was originally approved, a timecard adjustment will be required to convert the excess furlough hours to vacation, personal leave, executive leave or compensatory time. If none of these accruals are available, the excess hours will be converted to lost time.

Benefits- City contributions for health, dental, and life insurance for employees will continue in the same amounts while employees are taking unpaid furlough time off.

Vacation & Sick Leave- Vacation and Sick Leave accrue while an employee is on paid time. Vacation and Sick Leave will not accrue while employees take unpaid furlough time off.

Overtime- Furlough time off does not count as time worked for the purposes of calculating overtime.

Retirement- Retirement contributions are paid by employees and the City at the established rates as a percentage of base salary. Both the City and the employees participating in the Voluntary Furlough Program will continue to make contributions to the Retirement System for all paid hours and all regular hours that employees would have worked, but did not work as a result of participating in this program.

Seniority- Employees will continue to accrue seniority while taking furlough time off as though they were at work.

Time Card Reporting- Furlough time off should be coded as "UF3."

Voluntary Furlough Program Procedures

Responsibility	Action	
Employee	1.	Completes application form specifying the number of hours and/or days of furlough being requested and submits application to their supervisor.
Supervisor	2.	Reviews proposed furlough request and approves or recommends modification based on the needs of the work unit and the job duties specific to the employee and forwards the application to the Department Director/Designee.
Department Director/Designee	3.	Reviews proposed furlough request as well as recommendations of supervisor. Approves or declines request and forwards application to the Office of Employee Relations via email to <u>employee.relations@sanjoseca.gov</u> prior to the <u>Friday, June 12, 2020</u> * deadline to submit applications.
Office of Employee Relations	4.	Reviews application for compliance with program guidelines, applicable City policies and applicable MOA.

*Furlough time off will not be approved retroactively or outside of the effective dates of the program (June 14, 2020, through June 12, 2021).

Voluntary Furlough FAQs

Q: Will the City be closed for an entire week?

No. The normal operations of the City will not be shut down. Employees who elect to take furlough time off would do so in the same manner that vacation is requested.

Q: How will retirement benefits be affected?

Retirement contributions are paid by employees and the City at the established rates as a percentage of base salary. Both the City and the employees participating in the Voluntary Furlough Program will continue to make contributions to the Retirement System for all paid hours and all regular hours that employees would have worked, but did not as a result of participating in this program.

Q: Will seniority calculations be affected?

No. Seniority would continue to accrue during the time employees designate as their furlough time off just as if they were at work during those times.

Q: Will vacation and sick leave accruals be affected?

Yes. Vacation and sick leave accrue while an employee is on *paid* time. Vacation and sick leave would not accrue while an employee is taking unpaid time off under the Voluntary Furlough Program.

Q: How will the time be coded for time reporting?

Furlough time off should be coded as "UF3."

Temporary Reduced Workweek Schedules

For information regarding reduced workweek schedules, please refer to City Policy Manual section 4.2.12, <u>Temporary Reduced Workweek Schedules</u>.