

MCEA Furlough Payroll Procedures

The City and MCEA have negotiated an agreement for MCEA represented employees to take 32 hours of unpaid furlough between March 17 and June 30. Employees who have taken voluntary furlough time will be allowed to credit the voluntary furlough hours against the mandatory 32 hours. Employees must use standard time off request processes to request to use furlough hours, just as currently occurs for vacation and other time off requests.

EMPLOYEES WHO HAVE NOT TAKEN VOLUNTARY FURLOUGH HOURS

Beginning with the March 17 – 30 pay period, employees will have four hours and thirty four minutes (4:34) of pay deducted from each pay check but will continue to work a regular 40 hour week. Effective the pay period ending March 30, 2009 these employees will receive a bank of 32 hours which can be used beginning March 17. When the employee takes time off, it will be recorded on the timesheet as Payroll Code 400. This pay code will not result in a further pay reduction, instead it will reduce the hours in the furlough leave bank.

EMPLOYEES WHO HAVE TAKEN AT LEAST 32 VOLUNTARY FURLOUGH HOURS

Approximately 70 employees in MCEA have already taken voluntary furloughs. Those who have taken at least 32 hours have fulfilled their obligation for this fiscal year, and will not have the 4:34 hour deduction taken from their paychecks. Employees may take additional voluntary furlough time using the 299 pay code. However, these hours will not be credited against any furloughs that may be negotiated for 2009-2010.

EMPLOYEES WHO HAVE TAKEN 20 < 32 VOLUNTARY FURLOUGH HOURS

Those employees who have taken at least 20 voluntary furlough hours, but less than 32 will schedule the remaining hours as they did for the voluntary furlough, but will use the **payroll code 300** instead of 299. They will not have the 4:34 hours deducted from each paycheck. Human Resources will send each such employee a notice via email or memorandum showing the number of voluntary furlough hours taken and the number of hours remaining to be scheduled. That information will also be provided to the employee's supervisor and payroll clerk.

EMPLOYEES WHO HAVE TAKEN LESS THAN 20 VOLUNTARY FURLOUGH HOURS

Those employees who have taken some voluntary furlough hours but fewer than 20 will be advanced a leave bank in the amount of the remaining furlough hours that need to be taken. The amount of hours to be deducted will vary depending on the number of voluntary furlough hours already taken. Therefore, instead of payroll automatically deducting the 4:34 hours, each employee will be required to code his or her timesheet with the number of hours needed and continue to work a 40 hour week. A special pay code, Code 301 will be used to record those hours to be deducted each pay period. Code 301 will reduce the hours paid. Human Resources will send a notice to each affected employee. That notice will include the number of voluntary furlough hours already taken, the number of hours

remaining to be taken and the amount of hours to record on the timesheet each of the next 7 pay periods. When the employee takes time off, it will be recorded on the timesheet as Payroll Code 400. This pay code will not result in a further pay reduction, but will reduce the hours in the leave bank.

Examples:

Voluntary Furlough taken	Mandatory Furlough hours remaining	Code 301 hours per pay period for Mandatory Furlough hours remaining Mandatory Furlough hrs remaining / 7= Code 301 hrs
16	16	2 hours 17 minutes 2:17
5	27	3 hours 51 minutes 3:51

EMPLOYEES WHO WORK LESS THAN 40 HOURS PER WEEK

Those employees who work fewer than 40 hours per week will be advanced a leave bank in the amount of the remaining furlough hours to be taken. However, the amount of hours deducted will vary depending on the number of hours worked per week and any furlough hours already taken. Therefore, instead of payroll automatically deducting 4:34 hours, each employee will be required to code his or her timesheet with the number of hours needed. A special pay code, Code 301, will be used to record those hours. That code will reduce the hours paid but the employee will continue to work the regular work schedule. Human Resources will send a notice to each affected employee. That notice will include the number of voluntary furlough hours already taken (if applicable), the number of hours remaining to be taken and the amount of hours to record on the timesheet each of the next 7 pay periods. When the employee takes time off, it will be recorded on the timesheet as Payroll Code 400. This pay code will not result in a further pay reduction, but will reduce the hours in the leave bank.

Pay Code	Use	Effect
299	Voluntary furlough	Reduces pay by the number of hours used
300	Mandatory furlough	Reduces pay by the number of hours used
301	Mandatory furlough reduction	Reduces pay by the number of hours listed and credits to furlough bank
400	Mandatory furlough bank usage	Deducts hours from the mandatory furlough bank but does not reduce pay