

Furlough / Pay Reduction FAQs

Q1: Can I take a furlough day before or after paid leave days?

A1: While furlough days may not be taken the day before or after a UMW holiday, they **may** be taken before or after paid leave (sick, annual, etc.).

Q2: How do I calculate the effect of my unpaid furlough days on my paycheck?

A2: **Step 1.** Take your gross semi-monthly pay amount and divide by 88 hours (the number of hours in the pay period), this will give you your **hourly pay rate**.

Step 2. Take the number of furlough days you have scheduled in a pay period and multiply by the number of hours in your workday (for most, this will be 8); multiply this number by your **hourly rate**; this will give you the dollar amount your semi-monthly pay will be *reduced*.

Example: An employee with an annual salary of \$35,000 has a semi-monthly pay rate of \$1,458.34.

Step 1. $\$1458.34/88 = \16.58 per hour.

Step 2. This employee has one furlough day scheduled for the pay period, $1*8 = 8$. $8*\$16.58 = \132.64 . The semi-monthly gross pay would be reduced by \$132.64, making the adjusted gross pay \$1,325.70.

The pay reduction occurs *before* taxes are calculated.

Q3: How will my leave accrual be affected?

A3: Classified employees accrue leave each pay period; this accrual rate will be adjusted based on furlough days taken each pay period. The accrual adjustment percentage is calculated by dividing the number of furlough hours taken in the pay period by the number of work hours scheduled in the pay period.

Example:

An employee takes 1 day (8 hours) of furlough leave in the pay period; there are 88 total hours in the pay period. Calculate: $8/88$ hours = .09.

If this employee's normal leave accrual is 6 hours per pay period, $6 \times .09 = .54$ rounded to .50, making the accrual 5.5 hours for the period (instead of 6).

Payroll will manually adjust annual accruals in MyTime with pay code called "Accrual Adj – Annual" and "Accrual Adj- Sick" for reducing Traditional (non-VSDP) Sick leave accruals. The adjustments will be visible on the timecard. They are not shown as negative amounts, but they perform as a negative amount.

NOTE: MyTime will grant the full accrual amount on the 10th and the 25th of

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each month. Payroll cannot change the automatic accrual amount, but instead, will be using the new pay code to apply the adjustment.

Q4: How will my VRS retirement contributions be affected?

A4: VRS Retirement plan contributions will be calculated based on the temporarily reduced salary rate over the 8-month furlough window. The impact of the lost wages resulting from your furlough days will be averaged across the duration of the furlough window.

Q5: How will my ORP retirement contributions be affected?

A5: ORP Retirement plan pay contributions will be calculated based on the earnings for each pay period.

Q6: I have a VRS retirement plan, how does the furlough affect my final compensation calculation?

A6: There is no impact to the Average Final Compensation (AFC) for VRS Participants.

If you are a **Plan 1** participant, AFC is still the highest **36** months of consecutive pay wherever they occur.

If you are a **Plan 2** or **Hybrid** participant, AFC is the average of your **60** consecutive months of highest creditable compensation as a covered employee.

Do I have Plan 1, Plan 2 or Hybrid?

You have **Plan 1** if you were hired or rehired before 07/01/2010 and completed 5 years of service as of 01/01/2013.

You have **Plan 2** if you were hired or rehired before July 1, 2010, and do not have at least five years of VRS service credit as of January 1, 2013. Or if you were hired or rehired from July 1, 2010 to December 31, 2013.

You have the **Hybrid Plan** if you were hired on or after January 1, 2014.

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Q7: I'm retiring this year. Do I have to take all my furlough days before my retirement date?

A7: Employees who have an established retirement date should take the number of furlough days that is proportionate to the time they plan to work during the furlough period. The furlough period is July 10, 2020 – March 24, 2021, which is 36 weeks.

Example: An employee who is expected to take 7 furlough days is retiring on September 24, 2020; they will work 11 weeks into the 36-week furlough period, which is 30%. This employee will need to use 30% of their 7 furlough days, which is 2 days.

Q8: Why are furloughs limited to specific pay periods?

A8: All pay periods do not have the same number of days: the number ranges between 9 and 12 days; the majority of pay periods have 11 days. As illustrated in the pay calculation formula, the number of days in a pay period affects the amount deducted for a furlough day. In order for the furlough process to be consistent and straightforward, we decided to limit furloughs to the pay periods with 11 days.

Q9: By when do we need to have all our furlough days scheduled?

A9: All furlough days will need to be scheduled by July 10, 2020.

Q10: Since I work an alternate work schedule (non-8-hour days), how should I schedule my leave?

A10: A furlough day is equal to 8 hours, therefore 5 furlough days = 40 hours. An employee who works 9-hour shifts can take 9 hours of furlough leave on four days (36 hours), and 4 hours of furlough leave on the fifth day to equal 40 hours; on the 4-hour day, the employee can work the remainder of their schedule or take paid leave.

Q11: Can I apply for unemployment?

A11: The information below is directly from the [Virginia Employment Commission](#) (VEC) website. Please contact the VEC directly if you have additional questions.

“If you are a worker who has been totally or partially separated from your job due to Coronavirus, please note that no claim for unemployment insurance may be filed or processed until an actual lay off from employment has occurred, or until there has

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been an actual reduction in hours. If you will be filing because of a reduction in hours, you will not receive benefits unless your gross earnings are less than your weekly benefit amount. Currently the maximum weekly benefit amount in Virginia is \$378.

You may file a claim for unemployment insurance through this Website by clicking the link below to [File a new claim for unemployment benefits](#) or through our Customer Contact Center by calling 1-866-832-2363 Monday through Friday 8:30am – 4:30pm and between 9am and 1pm on Saturday (closed Sunday and state holidays). Once you have filed your initial claim, you must continue to file your weekly continuing claims either online or by using the automated voice response system at 1-800-897-5630.” [Q&A on Claims Related to Coronavirus](#)