

STATE CONTROLLER'S OFFICE
PERSONNEL/PAYROLL SERVICES DIVISION
P. O. BOX 942850
Sacramento, CA 94250-5878

DATE: July 6, 2009

PERSONNEL LETTER #09-014
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Don Scheppmann, Chief
Personnel/Payroll Services Division

RE: **FURLOUGH PROGRAM 2009 – PROCESSING EFFECTIVE JULY 2009**

At the direction of the Governor (Executive Order S-13-09 dated July 1, 2009) the Department of Personnel Administration (DPA) has modified the furlough program. Beginning with July 2009 the furlough program will be 3 furlough days per month with most state offices closed on these days. The furlough program will continue to be administered as an adjustment to the salary rate documented via a negative rate pay differential established on the employment history (EH) record. See DPA's Personnel Management Liaisons (PML) Memorandum 2009-029, DPA Pay Letter 009-10, Exempt Pay Differential Furlough Hours Program, and Statutory Exempt Pay Differential Furlough Hours Program for specific details. The exempt pay differential documents should be available from the DPA Exempt Salary Schedule.

The furlough pay differential earnings IDs (EID) '8FR1' and '8FR2' will continue to be used under the 3 day furlough program. The pay differential rates will be controlled by the effective date of the EH transaction that reflects the '8FR1' or '8FR2' EID (i.e. January 30, 2009 through June 2009 effective date transactions will reflect the 2 day furlough rate and July 2009 and later effective date transactions will reflect the 3 day rate). For the EH system to reflect the new rate on the employee's EH record, it is necessary to process an EH transaction with a July 1, 2009 or later effective date. The State Controller's Office (SCO) will process an EH mass update the night of July 6, 2009 to post a 350 transaction effective July 1, 2009 to update the rate on the EH records.

Once the mass update occurs, departments will be responsible for updating the EH records to reflect the appropriate furlough pay differential rates. For example, the appointment transaction for an employee newly hired to state service on June 15, 2009 is not processed until after the mass update. The department must also process a July 1, 2009 effective date 350 transaction after the appointment transaction is processed to change the employee's furlough pay differential rate from 2 days to 3 days. Failure to update an employee's EH record properly could result in overpayments.

With the return of "designated" furlough days, the furlough leave time is no longer prorated for full and part-time employees. It is necessary to return to the processing documentation procedures for the furlough program provided in SCO Personnel Letter #09-006. It is important to start following these procedures beginning with any transaction effective July 1, 2009 or later to avoid overpaying employees. A new publication of the procedures will be forthcoming. Transactions with a March 6, 2009 through June 30, 2009 effective date must be processed using the procedures provided in SCO Personnel Letter #09-013.

CONTACTS

Questions regarding the furlough program and EH/payroll processing information can be directed as follows:

SUBJECT AREA	CONTACT	TELEPHONE NUMBER
Furlough Program (e.g., rules, regulations benefits/pay impacts)	DPA	(916) 323-3343
Employment History Mass Update	Jeanna Gonzalez	(916) 322-3899
Employment History PAR Procedures	Personnel Operations Liaison Unit	(916) 322-6500
General Payroll	Payroll Liaison Unit	(916) 323-3081
Disability Payroll Procedures	Disability Telephone Liaison	(916) 322-3619

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