



City of Phoenix

HUMAN RESOURCES DEPARTMENT LETTER

H.R.D. LETTER NUMBER
2014 - 002

SUBJECT

FURLOUGH & UNPAID HOLIDAY PROCEDURES

DATE ISSUED
July 1, 2014

SUMMARY OF CHANGES

This policy defines the furlough and unpaid holiday requirements for fiscal year (FY) 2014-15. The 2013-14 Furlough Schedule has been replaced with the 2014-15 Furlough Schedule.

INTRODUCTION

This Human Resources (HR) Department Letter replaces HR Department Letter 2013-001, Furlough Procedures, and provides the guidelines for required furloughs and unpaid holidays as outlined in the 2014-2016 Memoranda of Understanding (MOU), Memorandum of Agreement (MOA), and Terms and Conditions of Employment (TCE).

Employees in the following units will take furloughs in accordance with the schedule included in this procedure:

Unit	Total Furlough Hours for FY 2014-15
AFSCME Local 2384 (Unit 2)	18 hours
AFSCME Local 2960 (Unit 3)	48 hours
IAFF Local 493 (Unit 5)	24 hours for employees on a 56-hour work schedule 16 hours for employees on a 40-hour work schedule
ASPTEA (Unit 7)	8 hours
Confidential Office & Clerical (Unit 8)	16 hours
General Middle Managers & Executives	8 hours

In addition to the furlough hours required above, employees in the following units will also be required to take unpaid holidays in accordance with the direction provided in this procedure:

Unit	Total Unpaid Holiday Hours for FY 2014-15
AFSCME 2384 (Unit 2)	24 hours
PLEA (Unit 4)	12 hours
Confidential Office & Clerical (Unit 8)	8 hours

It is imperative that employees who are impacted by furloughs take the required amount of furlough time during the fiscal year to minimize the need for further reductions.

Furloughs should not result in overtime for either the requesting employee or a co-worker in order to maintain adequate service delivery.

FURLOUGHS

The following general guidelines should be taken into consideration when requesting and/or approving furloughs. These guidelines apply to all employees regardless of hourly or exempt status unless specifically noted:

- Employees must request and be approved for furlough time in advance of taking the time off.
- Employees in units required to take furlough days are responsible for meeting their annual furlough obligation. Supervisors may allow an employee to take furlough hours after the specified furlough interval as long as the required amount for the interval has been scheduled and approved before the end of the interval and all hours required are taken by June 30, 2015.
- All required furlough hours must be scheduled and approved by April 30, 2015 and must be taken by June 30, 2015.
- A leave request coded "LF" will be processed for all employees who request furlough time, regardless of their status (e.g., exempt and non-exempt). The use of this leave code will result in leave without pay for the employee.
- Employees who are approved for furlough time will be in an off-work status during that time. Supervisors cannot authorize a furlough with the expectation that the employee will still be available for work, such as stand-by. Employees should be aware that they are not permitted to conduct City business during authorized furlough time, as it may be considered time worked.
- Departments may develop their own internal guidelines for processing furlough requests to ensure that service delivery standards are met.
- Employees who take furlough time before and/or after a holiday will still receive holiday pay even though the time is unpaid leave. (See page 4, Section 7 of AR 2.11.)
- Due to unforeseen circumstances, scheduled furlough days may be cancelled due to operational need. Supervisors should notify affected employees as soon as practical, and should work closely with employees to reschedule any required furlough days as soon as feasible.
- Employees may not take additional voluntary furloughs once the required furlough obligations have been met. Requests for additional unpaid leave must be submitted in writing through the employee's chain of command using either the general unpaid leave code "LG", or the extended sick leave code "LS", and are subject to department approval. Unpaid leave requests of more than 30 days require the approval of the Human Resources Director.

Non-Exempt (Hourly) Employees

In addition to the general guidelines outlined above, the following specific guidelines apply to non-exempt (hourly) employees regarding the use of furlough (LF) time:

- Furlough time will not count as time worked for the purpose of calculating overtime. Pursuant to the City's Pay Ordinance (Pay Plan) "...no overtime work shall be authorized, unless it shall have first been approved as provided by Administrative Regulation."
- Furlough time must be taken in in full-shift and/or half-shift increments. Increments of less than a full shift or half shift are subject to supervisor and department approval.
- Unpaid holidays may be taken in hourly increments of one hour or more.

Exempt Employees

In addition to the general guidelines outlined above, the following specific guidelines apply to exempt employees regarding the use of furlough ("LF") time:

- Exempt employees will take furlough time in full-shift (8-hour) increments.
- Exempt employees are not authorized to work more than the equivalent of 8 hours per day for the actual days worked during the week when a furlough day is taken. Compensation for any work beyond the authorized time is subject to supervisory approval.
- Exempt employees who work a 9/80 alternate work schedule will be required to revert to a 5/8 work schedule for the entire pay period in which a furlough day is taken. Exempt employees who work a 4/10 alternate work schedule will be required to revert to a 5/8 work schedule for the work week in which a furlough day is taken. Exceptions to 4/10 alternate work schedule reverting to a 5/8 work schedule may be made at the sole discretion of the department head.
- Exempt employees will be required to submit leave requests on an hour-for-hour basis or make up the time for any other leave hours taken during the week of a furlough day.
- Exempt employees are not authorized or approved to conduct any work during non-work hours.

Prorated Furlough Requirements

For some employees, furlough requirements may be prorated depending on the amount of time the employee is assigned to a unit that has a furlough requirement. This includes the following situations:

- New hires and rehires
- Retirements and resignations
- Change from part-time to full-time status
- Promotions, demotions, and transfers that result in a change of unit
- Extended unpaid leaves of absence

In these situations, a prorated requirement will be determined in accordance with guidelines established by the HR Department, Records and Placement Section.

If an employee will be moving from a unit requiring furloughs to a different unit, all furlough time required in the original unit, based on the 2014-15 Furlough Schedule (on a prorated basis), must be taken prior to the start date in the new unit. Departments are responsible for determining if any remaining hours must be taken and scheduling them prior to the employee's move to the unit/position.

If an employee resigns or retires from city employment and has not met the prorated furlough requirement, the remaining hours will be processed on the employee's final paycheck. The final paycheck will be reduced by the value of the furlough owed.

UNPAID HOLIDAYS

The following general guidelines should be taken into consideration when requesting and/or approving unpaid holidays:

- Employees required to take unpaid holidays must schedule their requested days, using the code "LH" (if the holiday falls on their regularly scheduled work day), at the beginning of the fiscal year (see deadlines noted by unit below).
- An employee wishing to take an unpaid holiday which falls on their regularly scheduled day off must submit a request using the code "HU". This code indicates the employee will forego the substitute holiday (code "CS") that would normally be received. The employee would not submit a "CS" request for the hours of the unpaid holiday.
- To ensure compliance with Arizona Revised Statute § 38-608, employees can only select from the following list for an unpaid holiday: Martin Luther King, Jr.'s Birthday; President's Day; Cesar Chavez's Birthday; Memorial Day; Veterans Day; the Friday after Thanksgiving, and Christmas Eve (four hours).
- Unit 2 employees must request their unpaid holidays for FY 2014-15 no later than August 1, 2014.
- Unit 4 employees must request their unpaid holidays for FY 2014-15 no later than September 30, 2014. *(Per a mutual agreement between labor and management, the date for Unit 4 employees to request unpaid holidays for FY 2014-15 has been extended to October 31, 2014.)*
- Unit 8 employees must request their unpaid holidays for FY 2014-15 no later than September 30, 2014.
- If an affected employee fails to request unpaid holidays by the deadline, required unpaid holiday time will be assigned by the department.

Prorated Unpaid Holiday Requirements

If an employee enters a unit required to take unpaid holidays after July 1, 2014, the unpaid holiday requirement will be prorated in accordance with guidelines established by the HR Department, Records and Placement Section.

CHANGE FOR PHOENIX FUND

Employees may elect to make voluntary donations to the City's general fund through the Change for Phoenix Fund instead of taking furlough days or unpaid holidays. Please see your department's HR liaison for details about this option.

FREQUENTLY ASKED QUESTIONS (FAQs)

A list of frequently asked questions on furloughs and unpaid holidays is available on the Human Resources Department website in the Furlough Resources section. Any questions regarding these guidelines or the FAQs should be directed to your department's HR liaison or the Human Resources Department HR Center, at 602-262-6608.

2014 – 2015 FURLOUGH SCHEDULE

UNIT NAME (Unit Code)	INTERVAL PERIOD AMOUNT REQUIRED EACH INTERVAL						TOTAL PERIOD/ AMOUNT
AFSCME 2384 - Field (Unit 2)	Jul 1 thru Dec 31			Jan 1 thru Jun 30			Jul 1 2014 thru Jun 30 2015
	10 hours			8 hours			18 HOURS
AFSCME 2960 - Office & Clerical (Unit 3)	Jul 1 thru Aug 31	Sep 1 thru Oct 31	Nov 1 thru Dec 31	Jan 1 thru Feb 28	Mar 1 thru Apr 30	May 1 thru Jun 30	Jul 1 2014 thru Jun 30 2015
	8 hours	8 hours	8 hours	8 hours	8 hours	8 hours	48 HOURS
IAFF - 493 Fire (Unit 5) 40-hr Employees	Jul 1 thru Dec 31			Jan 1 thru Jun 30			Jul 1 2014 thru Jun 30 2015
	8 hours			8 hours			16 HOURS
ASPTEA - Supervisory/Prof/ Technical, Conf Sup & Prof, Council/Mayor Staff (Unit 7)	Jul 1 thru Jun 30						Jul 1 2014 thru Jun 30 2015
	8 hours						8 HOURS
Confidential Office & Clerical (Unit 8)	Jul 1 thru Dec 31			Jan 1 thru Jun 30			Jul 1 2014 thru Jun 30 2015
	8 hours			8 hours			16 HOURS
General Middle Managers & Executives	Jul 1 thru Jun 30						Jul 1 2014 thru Jun 30 2015
	8 hours						8 HOURS

Note: Supervisors may authorize furlough days that lag behind the interval schedule as long as a leave request has been submitted and approved during the interval and a plan is in place to achieve all required furlough days by the end of the fiscal year.