

## How to handle Classified/CalPERS furloughs in PeopleSoft, HCM.

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\*\*\* Certificated/CalSTRS and Classified/CalPERS furloughs are treated differently \*\*\*

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Mandatory Furlough is defined as any time period during which employees are directed to be absent from work without pay on the day or days designated by their employer or by a memorandum of understanding.

### Classified/CalPERS furloughs:

- Salary Schedules are not reduced.
- Earnings are reduced for furlough days by one of these options:
  - Enter an earnings dock on **Payline adjustment** for the furlough day.
  - Enter several earnings docks on **Payline adjustments** for the furlough day(s) being spread over several months.
  - Lower the FTE on **Position Information** for the entire year.
    - Note: If employee has extra pays as a percentage of earnings, they will be reduced as well.
- For hourly employees, do not pay for furlough days.
- Keep track of lost earnings due to furlough days for AB1651.

### AB1651 adjustments summary:

- In January of each year, for the previous year, CalPERS will send a request to SDCOE to ask employers if they had furloughs.
- For school districts that had furloughs, CalPERS will run inquiries on their database to locate employees with less than one year of service credit.
- CalPERS will send spreadsheet of these employees to SDCOE and will be passed on to employers.
- Employers will return the completed spreadsheet to SDCOE which will be passed on to CalPERS to let them know what the lost earnings associated with furloughs were.
- CalPERS will manually adjust service credit for these lost earnings.
- Note: AB1651 effective from July 1, 2008 forward. AB1651 does not have a sunset date.

**Reference:**

- CalPERS Circular Letter 200-016-09, October 19, 2009, Information on Furloughs
- CalPERS Circular Letter 200-066-10, October 21, 2010, Information on AB1651 and Impacts of Mandatory Furlough for School and Local Safety Employees
- CalPERS Circular Letter 200-005-11, January 6, 2011, AB 1651 Implementation

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Note: Please do not incorporate holidays, vacations, donations, etc. with furloughs without contacting CalPERS for review and approval.

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