



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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**MEMORANDUM**

TO: All State Agency Directors, Personnel Contacts, Boards, Commissions, and Human Resource Representatives

FROM: Herbert M. Scott  
State Personnel Administrator

SUBJECT: Employee Furlough

DATE: September 27, 2013

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In the event of a federal shutdown it is imperative that affected positions are identified by close of business, Monday September 30<sup>th</sup> and that the following processes are implemented. Please be aware that noncompliance will result in failure to process your agency's payroll for pay period 21 (09/29/13 – 10/12/13).

1. Employees who are furloughed shall not use accumulated leave time to bridge the furlough period. Depending on the length of the furlough, the following guidelines apply:
  - Furloughs of less than one week – Employees will retain their active status, but payroll/timekeepers will enter leave without pay (LWOP) hours for the affected employees.
  - Employees who are furloughed for more than one week must be placed in leave without pay status. Human Resources/Payroll personnel will utilize an action of LWOP – INACTIVE STATUS (Code ZC) with a reason code of Non-Disciplinary Leave (Code 2).
2. Furloughed employees are not allowed to “volunteer” their time to the agency during the furlough period. This extends to use of any state provided resources (cell phones, laptops, state vehicles, etc.)
3. Employees who have been furloughed and are in LWOP status for more than 10 days will cease to accrue annual and sick leave for the length of the furlough.
4. If the furloughed employee works during the month of October, agencies will be responsible for the matching portion of state employee's health insurance. However, if the employee is furloughed for the entire month, the employee will be responsible for paying the employee **and** employer portions. Employees will be directly billed by Employees Benefits Division. Failure to submit payment may result in termination of coverage.
5. Employees who work less than 80 hours in a month due to furlough will receive no service credit for retirement purposes for that month. The furlough will reduce their earnings for the current fiscal year and possibly affect the calculation of the average of the highest annual compensation paid a member during any period of three (3) years of credited service.
6. In the event of a long term furlough, additional instructions will be forthcoming.

Please feel free to contact Janis Harrison at [janis.harrison@dfa.arkansas.gov](mailto:janis.harrison@dfa.arkansas.gov) or at 682-3554 or Vicki Mills at [vicki.mills@dfa.arkansas.gov](mailto:vicki.mills@dfa.arkansas.gov) or at 682-5111 if you have any questions.