

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

DATE: August 5, 2010

PERSONNEL LETTER #10-015
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Crowe, Chief
Personnel/Payroll Services Division

RE: **2010 FURLOUGH PROGRAM**

At the direction of the Governor (Executive Order S-12-10 dated July 28, 2010), the Department of Personnel Administration has instituted a new furlough program whereby affected employees are required to take a minimum of three unpaid furlough days each month. The furlough will be administered as an adjustment to the salary rate. A pay differential will be added to employment history (EH) records to reduce the base pay rate by an average percentage amount equivalent to the three furlough days. See the Department of Personnel Administration (DPA) Pay Letter 10-16 for specific details.

The State Controller's Office (SCO) will add the furlough pay differential earnings identifier (EID) to the eligible employee EH records through several mass updates. The first update process will include employees paid on a biweekly or semi-monthly basis and will occur after the close of business on Thursday, August 5, 2010. A separate Personnel Letter will be issued to announce the dates for the remaining updates.

EH MASS UPDATE INFORMATION

The applicable furlough pay differential EID identified in the DPA pay letter will be added to the EH records effective the first of the August 2010 pay period (i.e., August 1, 2010 effective date). The EH 350 transaction will be used to add the furlough pay differential EID to affected employee EH records. Turnaround PARs will be issued from the mass update process and released on a flow basis.

The furlough pay differential EIDs are negative percentage based EIDs that reduce the base pay rate. However, the resulting furlough pay differential amount will not display with a negative sign on the EH record or turnaround PARs. Further, percentage based EID's are rounded to the nearest cent hence, the resulting furlough program pay reduction amount can contain cents. Further details and processing instructions will be provided in a subsequent Personnel Letter. A California Leave Accounting Letter will also be published providing furlough leave accounting procedures.

Retired annuitants will be excluded from the EH mass update. Departments will need to process a 350 transaction effective August 1, 2010 for all retired annuitants subject to the furlough program. See DPA PML 2010-015 for further details.

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 PAR Procedures	Personnel Operations Liaison Unit	(916) 322-6500
General Payroll	Payroll Liaison Unit	(916) 323-3081
Employment History Mass Update	Jeanna Gonzalez	(916) 327-3923

LC:PMAB:JG