

How to Handle a Furlough It's One Way or the Other

Some of you may be going through or preparing for furlough situations. For School and Local employers like yourself, it's straightforward when it comes to KPERS. There are two ways to handle a furlough.

Furloughs Using Reduced Hours During Payroll Periods

1. When employees work fewer hours than normal, you don't need to do anything on the pay report. For example, an employee works 32 hours a week instead of 40.
2. Keep track of their actual pay vs. pay if they had not been furloughed. More details about this below.

Furloughs Using 10 or More Days in a Row Off Payroll

1. Furloughs that cause an employee to be off the payroll for 10 days in a row or more are considered a "break in service" by KPERS. Treat these types of furloughs like an **administrative** leave of absence. As with a leave of absence, you anticipate a furloughed employee will return to the payroll. **Enter an end date** for these employees.
2. Keep track of their actual pay vs. pay if they had not been furloughed. More details about this below.

Here's a link to info in the employer manual about [leaves of absence](#).

Why It's Important to Track Actual Pay

State employee retirement benefits are protected during furloughs. The 2021 Legislature may pass similar legislation for Local and School employers, so we could need those details next year. Tracking pay as if not furloughed will protect employees' retirement benefits if legislation is passed.

If Your Employer Offers Optional Group Life Insurance Coverage

Furloughed employees keep coverage if premiums are paid on the premium report. Please give the employee an Optional Group Life Insurance Continuation ([KPERS-79C](#)) form so they can continue coverage if the premiums are not being paid through the premium report.

COVID-19 Button in the Pay Report

On a related payroll topic, you will continue to see the COVID-19 button in pay reports until Labor Day. Only use it if an employee has COVID-19 or is caring for a family member with COVID-19. It should **not** be used in a furlough situation caused by budgetary constraints.

Questions?

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