Alternatives to Furloughs or Layoffs

- Hiring Freeze
- Freezing wage/merit increases
- Eliminating overtime
- Voluntary days off
- Reducing or eliminating unnecessary expenses
- Reducing hours operation/services
- Reduction in scheduled work hours
- Salary Reduction
<table>
<thead>
<tr>
<th>Furloughs</th>
<th>Layoffs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary</td>
<td>Permanent</td>
</tr>
<tr>
<td>Still considered an employee</td>
<td>No longer considered an employee</td>
</tr>
<tr>
<td>Accrued vacation usually not paid out</td>
<td>Accrued vacation must be paid out</td>
</tr>
<tr>
<td>Employees may be able continue healthcare benefits</td>
<td>Healthcare benefits cease; COBRA notice must be provided</td>
</tr>
<tr>
<td>Check CBA</td>
<td>Check CBA</td>
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</tbody>
</table>
Potential Benefits of a Furlough

• It may be viewed more positively by employees than a layoff, which may increase the likelihood that they will return.

• It’s easier to return furloughed employees to the workforce.
Furlough Considerations

• How long is the furlough?
• How are you handling use of accrued paid time off?
  – Will it continue to accrue?
• How are you handling healthcare benefits?
• Are there any organization-specific considerations?
Furlough/Layoff Considerations—Who Is Selected?

- What is your business reason (or reasons) for the furlough/layoff?
- What are your criteria for selecting who the impacted employees?
  - Objective
  - Specific
- Did you conduct an adverse impact analysis?
Reasons for Leave

When the covered employee is unable to work or telework due to a need for leave to care for the employee’s son or daughter under 18 years of age when the child’s school or place of care has been closed, or the child-care provider is unavailable, due to an emergency with respect to COVID-19 declared by federal, state or local authority.
Leave Provisions

- Employees are eligible to take up to 12 weeks of leave, starting on April 1st.
- The first two weeks are unpaid under the EFMLEA.
- The remaining 10 weeks are paid, at no less than 2/3 of the employee’s regular rate of pay, based on the number of hours the employee would normally be scheduled to work.
  - Pay caps out at $200 per day, $10,000 total, per employee.
Reasons to Receive EPSL

1. Employee subject to a federal, state or local quarantine/isolation order related to COVID-19;
2. Employee advised by health care provider to self-quarantine related to COVID-19;
3. Employee experiencing symptoms of COVID-19 AND seeking medical diagnosis;
4. Caring for an individual who meets requirements of 1 or 2.
5. Caring for a son or daughter (of employee) if the school or place of care of the child has been closed OR childcare provider is unavailable due to COVID-19; and,
6. Employee experiencing any other substantially similar condition specified by HHS, Secretary of Treasury or DOL.
Amount of Leave and Pay

• For reasons 1-3 (employee’s own conditions), full-time employee receives full pay. Pay is capped at $511 per day with an aggregate of $5110 per employee.

• For remaining reasons, employee received 2/3 pay, with caps. Pay is capped at $200 per day with an aggregate of $2000 per employee.
Thank You!

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