

From: Defense Finance and Accounting Services (DFAS)

Dated: October 10, 2025

Frequently Asked Questions

Which employees are affected by the 2025 lapse in appropriations?

Federal employees whose agencies are funded by FY26 annual appropriations are either deemed "excepted" and work without pay, or are "furloughed" and placed on temporary, unpaid leave. Agencies are responsible for any necessary updates to employee personnel records.

Time and Attendance

1. How should employees code their timecards during government shutdown?

Agencies are responsible for ensuring proper time and attendance is submitted on behalf of their employees. There are three categories of employees as defined below:

- **EXEMPT EMPLOYEE STATUS:** Employees exempt from the government shutdown regular timekeeping rules apply. There is no change in payroll processing procedures. Exempt employees are defined as employing organizations have funding available to continue normal operations such as working capital funds, multi-year funds, and revolving funds.
- **EXCEPTED FROM FURLOUGH EMPLOYEE STATUS:** For those employees excepted from furlough, you should code your time and attendance with furlough code KE for October 1-4, 2025. If the lapse of appropriation continues into pay period ending October 18, 2025, agencies are responsible for submitting time and attendance. Personnel transactions will be processed during the pay period ending November 1, 2025 if the lapse continues.
- **FURLOUGH ELIGIBLE STATUS:** For an employee in a furlough status, employees should be coded KE, furlough, beginning October 1, 2025. If the lapse of appropriation continues into pay period ending October 18, 2025, agencies are responsible for submitting time and attendance. Personnel transactions will be processed during the pay period ending November 1, 2025 if the lapse continues.

2. Should we correct October 1-4 if KE was not input on the record originally?

Any timesheets not submitted will be automatically populated with KE for periods of work starting Oct 1. This system default prevented billing against FY26 appropriations. If an employee is "Exempt" from furlough, certified timesheets are still required to receive pay.

3. What is the expectation for the federal holiday on October 13, 2025?

Timekeepers should not submit holiday hours for furloughed or excepted employees and instead use KE (Furlough).

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Pay

4. How were pay entitlements and allowances impacted by furlough?

Furlough hours reported to DFAS during the lapse in appropriations, result in entitlement payments temporarily being stopped to ensure payments are not processed against unfunded appropriations.

5. Why were premium hours recorded on an employee's timecard paused?

DCPS will convert furlough hours for employee work schedules in order to meet the requirements for regular paid hours. Premium hours that are converted systematically to ensure the work schedule is met, also convert/decrease furlough hours as necessary.

6. Why didn't Aged Compensatory Time payout?

Aged compensatory time payments have been temporarily stopped to ensure accurate processing during the fiscal year rollover.

7. How was Lump Sum Leave Payments impacted by furlough?

If furlough hours are reported to DFAS, any Lump Sum Leave, and associated final payments, are temporarily stopped.

8. Were award payments made during pay period ending October 4?

Award payments for pay period ending October 4, 2025, are temporarily paused.

9. Why did I receive a second deposit for my pay?

Payments from DFAS will not be marked "Shutdown Pay". Contact your financial institution regarding any supplement deposits received.

Leave

10. If a furloughed employee had previously scheduled annual or sick leave on a furlough day, what happens to the scheduled leave?

Upon furlough, all scheduled leave is canceled (annual leave, sick leave, or other). Absences during the furlough may not be charged to leave.

11. Can excepted employees be granted paid leave?

Yes. 31 U.S.C. § 1341(c)(3) provides that excepted employees may use their paid leave during a lapse in appropriations, subject to the normally applicable rules. Use of leave will not result in payment during the lapse of appropriations.

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12. If an employee is on approved leave without pay (LWOP), is the employee furloughed and LWOP terminated?

No. The status of employees in LWOP does not change unless there is an indication that the employee may return from the LWOP during the furlough.

13. How will employees on home leave be affected?

Employees on home leave will be placed in furlough status. Home leave may be extended at the discretion of senior management officials.

14. If an employee is on leave under the Family and Medical Leave Act of 1993 (FMLA) during the furlough, do furlough days count towards the 12-week entitlement to FMLA leave?

No. Days associated with furlough will not count against an employee's 12-week FMLA leave entitlement.

15. If an employee is on Military Furlough, do they need to take any action?

No. Employees on Military Furlough can remain in their current status and with the "KG" (Military Leave) code in the system. No changes are required.

16. Why does the LES block for leave show furlough separately as a year-to-date amount and a pay period item?

This display is correct in myPay. Furlough hours used are accumulated in DCPS as a pay period amount and as a non-paid leave year-to-date total.

17. Why does leave not accrue during the furlough?

Leave does not accrue while employees are in a non-paid status, such as furlough.

Benefits

18. How is Federal Employee Health (FEHB) and Dental and Vision Insurance (FEDVIP) impacted by furlough?

FEHB and FEDVIP coverage continues during a shutdown. Unpaid premiums are calculated on a continuous basis and will be withheld from pay upon return to pay status.

19. How is Thrift Savings Plan (TSP) impacted by furlough?

Employees should refer to the TSP website or contact their agency representative for information concerning TSP. The web address is <https://www.tsp.gov>.

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Child Support, Garnishments and Bankruptcy

20. How will Child Support, Garnishment and Bankruptcy deductions be impacted for furloughed employees?

During furlough, employees not receiving pay will not have garnishment deductions taken which means that no payment is sent to the entity ordering the garnishment. DFAS recommends employees contact the case worker at their state's child support agency for child support orders and their assigned Bankruptcy trustee regarding missed payments as a result of furlough.

*Please be advised, when an employee's pay resumes, DFAS will NOT withhold the total amount of missed payments from any retroactive payments received after furlough has ended. Employees are responsible for making up their child support and/or Bankruptcy payments on their own.