

LAPSE OF APPROPRIATIONS OR CONTINUING RESOLUTION PAYROLL PROCESSING GUIDANCE

The Department of Defense (DoD) will use the following approach to place an employee in a non-pay status and return the employee to a pay status once the furlough has concluded.

TIME AND ATTENDANCE TRANSACTION

The below process is to be used for the current and first full pay periods following the lapse of appropriations or continuing resolution (CR) expiration date.

If the furlough extends beyond two pay periods, DoD Components are to then use the DCPDS MASS FURLOUGH PROCESS - PAY500 HR TRANSACTION until the furlough concludes.

TIMECARD INFORMATION: If the lapse of appropriations occurs, furloughed employees and employees excepted from furlough will record “furlough” for the current and first full pay period following the CR expiration on their timecard. Agencies will be required to continue recording furlough for time and attendance (T&A) during the furlough period for each employee.

EMPLOYEE CATEGORIES DEFINED:

- **EXEMPT:** Employing organization has funding available to continue normal operations.
- **EXCEPTED FROM FURLOUGH:** Employees who are funded through an annual appropriation and are performing excepted activities during the shutdown.
- **FURLOUGH:** Employees who are placed in a temporary non-duty, non-pay status because of a lapse of appropriations.

EXEMPT EMPLOYEE STATUS: Regular timekeeping rules apply for employees exempt from the government shutdown. There is no change in payroll processing procedures.

EXCEPTED FROM FURLOUGH EMPLOYEE STATUS: If an employee is excepted from furlough, timecards should be coded “KE, furlough.” Time and attendance records should continue to be recorded as “KE, furlough,” during the government shutdown.

Note: Excepted employees should code their timecard with KE on the next regular duty day following the lapse of appropriations. Time and attendance records should continue to be recorded “KE, furlough,” during the government shutdown. Personnel transactions will be processed if an extended government shutdown is projected. Personnel transactions will be processed at the beginning of the second full pay period, and beyond until the government shutdown ends.

FURLOUGH ELIGIBLE STATUS: If an employee is in a furlough status, timecards should be coded “KE, furlough” following the lapse of appropriations. Time and attendance records should continue to be recorded as “KE, furlough,” during the government shutdown or a personnel transaction is processed.

Note: Employees subject to furlough should code their timecard with “KE, furlough” on the next regular duty day as part of orderly shutdown activities. Time and attendance records should continue to be recorded “KE, furlough,” during the government shutdown. Personnel transactions will be processed if an extended government shutdown is projected. Personnel transactions will be processed at the beginning of the second full pay period and beyond until the government shutdown ends.

Lapse of Appropriations Furlough Ends – Furloughed and excepted employees will be paid following the government shutdown, but that time will be processed retroactively when Congress passes and the President signs a new appropriation act or a continuing resolution. Corrected T&A processing will be required to pay all employees. Timekeepers and/or Customer Service Representatives will be required to record T&A retroactively beginning on the first duty day an employee coded “KE, furlough” on his or her timecard. Retroactive T&A should be submitted no later than first pass as defined in the Civilian Pay Job Processing Schedule. If the retroactive T&A inputs are not processed by first pass, there is the potential to have delayed payments processed for impacted employees.

Defense Civilian Personnel Data System (DCPDS) MASS FURLOUGH PROCESS - PAY500 PERSONNEL TRANSACTION

If the appropriation lapse extends past two pay periods, employees paid by appropriations that have lapsed will be placed in a non-pay status within DCPDS and Defense Civilian Pay System (DCPS). Employees will not receive a Notification of Personnel Action, SF50 placing them in a furlough status. The DCPS work schedules will be populated with “KE, furlough,” within the pay system until such time as the Human Resource Office processes a cancellation action (if retroactive backpay is authorized) or a return to duty action (if retroactive back pay is not authorized).

Additional information on furlough can be found at www.dfas.mil.

Please note: This does not apply to nonappropriated fund employees or Foreign National employees.