

## Work Share Information Sheet

The current health crisis and resulting economic crisis forced us to seek innovative methods of delivering services to our students and communities. Looking forward we realize we face unprecedented economic challenges in conjunction with the health crisis. We must consider all potential cost saving options, seek sources of alternative funding, and leverage all available resources.

The CARES Act and Work Share Program (also known as short-term compensation) have created a unique opportunity for districts in Oregon. The work share program has been in place for some time in Oregon, however, it is not something Oregon school districts have historically utilized. The program provides an opportunity to reduce the hours of a large group of employees and eliminate the need to layoff individual employees.

The following outlines some potential benefits from participation in the Oregon Work Share Program and utilization of funding under the CARES Act.



Work Share provides an alternative for employers and workers who may be facing the prospect of a lay off situation. With Work Share, instead of reducing staff, an employer reduces the hours of work for a group of workers. Partial Unemployment Insurance benefits are then paid to supplement workers' reduced wages.

Work share allows:

- temporary furloughs rather than layoffs.
- you to spread the impact over a large number of employees while retaining jobs for the greatest number of people.
- maintains benefits like health and dental insurance which are important.
- leverages federal CARES Act benefits.

The CARES Act shifts several critical elements of typical unemployment benefits through July 31, 2020:

- CARES Act offers \$600 each week for as little as \$1 of state unemployment benefits. Given that the weekly maximum in Oregon for UI benefits is \$648, with the CARES funding that increases the benefit to \$1,248. It also takes the weekly minimum UI payment from \$1 and raises it to \$601.
- DOL guidance clarified that short-time compensation is eligible for the \$600 payment. (See [DOL guidance at 4\(a\) here](#))

Other factors and considerations:

- Normally, a self-insured employer would absorb unemployment costs. DOL guidance clarified that the CARES Act covers 100% of short-term compensation. (See [CARES Act Summary Section 2108](#))<sup>1</sup>

---

<sup>1</sup> Recent information from the Employment Division indicates there may be some question as to whether or not reimbursement employers will receive a 100% reimbursement of the State share of these benefits or it will be limited to 50%. Regardless, the CARES Act funded benefit of \$600 per week is fully paid for.

- [Governor's Order Executive Order 20-20](#) - Section 4e added language "Regularly pay public school employees, subject to **budget and personnel decisions**" This addition allows furlough days.
- Governor waived the 1 week waiting period to qualify for unemployment benefits
- Need to work with local unions to get agreement before making application to State.
- It is possible for some employees to receive more in unemployment benefits under this program than they are losing due to a furlough day.
- There may be public criticism of districts utilizing these tools.
- Employees will have questions and need to be informed about the program and what it means to them.

Work share program requirements:

- District must make application and be approved
  - [Application Instructions](#)
  - [Fillable Application](#)
- Application includes signature of union representation
- Eligible employees must have worked for district for at least 6 months
- Hours or FTE reductions can be between 20% and 40%
  - For example, 1 day per week furlough would qualify
- Employer provides list of eligible employees to Employment Division
- Employee must complete short 2 page initial claim form [Click here for form](#)
- Employee must submit weekly timecards to district
- District files weekly [Claim Certification Form](#)

The above combined resources provide an opportunity for Oregon school districts to leverage more of the CARES Act funding, maintain employee wages and benefits, and save district resources to be utilized in 2020-21. We know we face significant potential funding reductions in the 2<sup>nd</sup> year of this biennium and any savings we can accomplish in the current year will allow us to protect programs and services next year.

Time is of the essence as this window closes on July 25, 2020 under the current CARES Act funding. The school year is quickly closing and our ability to get individual applications processed and approved will further impact our ability to maximize potential savings. Remember you need to include time to work with your local unions in order to get an agreement.

*Please note this document is provided by Oregon ASBO for informational purposes only, it is not intended as a recommendation to utilize the work share or any other program. The information included may not represent the most current or up-to-date information. There are various links included that will take you to third-party websites and articles. They are included for the convenience of the user. You should contact your legal counsel before acting upon any information contained herein. Only your individual attorney can provide assurances that this information and your interpretation of it is applicable or appropriate to your situation. The content provided in this document is "as is" and no representations are made that the content is error-free.*

List of resources and articles with additional information and specifics:

[How does OR work share work](#)    [Oregon Work Share Employer Info](#)    [Oregon Work Share Brochure](#)

[Proskauer Article](#)    [Lewis & Clark Furloughs](#)    [LA Times Article on Work Share](#)    [Relevant NYT article](#)