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Deadline for Economic Furloughs

Posted on April 22, 2020

With the passage of Act 55 in 2017, school districts, for the first time, were permitted to furlough professional employees based on economic reasons. To effectuate an economic furlough, the board of directors of a school district must, **no later than 60 days prior to the adoption of a final budget,** adopt a resolution of intent to furlough professional employees in the following fiscal year.

The resolution must contain certain information regarding the economic conditions of the school district and how the economic conditions will be alleviated by the proposed furloughs. **As school districts are required to adopt final budgets by June 30th, the possible last day to adopt the economic furlough resolution is May 1st.**

The financial impact of the COVID-19 pandemic and related legislation has resulted in many school districts considering economic furloughs. It is critically important that school district considering economic furlough ensure compliance with all of Section 1124's requirements, including a timely adoption of the required resolution.

More information can be found here: Department of Education's FAQ section regarding economic furlough.

If you have any questions, please contact one of our labor & employment attorneys.

More resources and information regarding COVID-19

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