



# Monarchs Temporary Lay-Off Policy

[www.monarchsgym.com](http://www.monarchsgym.com)

[info@monarchsgym.com](mailto:info@monarchsgym.com)

3599 Old Conejo Road., Newbury Park, CA 91320 (805) 375-4663  
5331 Derry Ave Ste H-C, Agoura Hills, CA 91301 (818) 889-3634

## Policy Brief & Purpose

Our Temporary Layoff policy outlines our rules for temporarily suspending our employees.

We recognize that large-scale layoffs, both temporary and permanent, affect morale and job satisfaction. For this reason, we see layoffs as a last resort during hard times.

## Scope

This policy applies to all our permanent full-time or part-time employees.

Laying off exempt employees may be different than laying off non-exempt employees. We will comply with the law at all times.

### *Policy Elements*

“Temporary layoff” refers to reducing the number of our employees on a short-term basis. Sometimes, we may ask employees to take planned unpaid or partially-paid time off from work for a specific period (“furlough”). In the case of furloughs, employees may be eligible to maintain some employee benefits.

We may decide to lay off employees to:

- Cut costs.
- Increase efficiency.
- Restructure our organization.

This list is not exhaustive. We may have to take part in temporary layoffs for other reasons too. Examples are:

- Employees’ job duties are reduced.
- The branch employees work in needs to be restructured, moved or closed.

### **Temporary layoff/furlough elements**

We will give our employees a written notice, before the effective temporary layoff or furlough date.

Temporary layoffs/furloughs may last from days to several months. We may set a temporary layoff/furlough period (if it’s not set by law), during which we may recall laid off/furloughed employees to resume working for us. During that period, employees may continue to receive pay and benefits dictated by law (e.g. unemployment benefits).

This period may be extended due to unforeseen circumstances. We are obliged to give notice of extension in this case.

If we recall a laid-off/furloughed employee within that period, there are two possibilities:

- The employee returns to work for us in the same or similar position.
- The employee does not wish to return and officially or unofficially resigns.

In any case, employees should formally accept or refuse to return to work within five days after they receive a recall request. If an employee finds another permanent job during the recall period, they must notify HR within three days of a recall request. In this case, they lose the right to be recalled.

If we don't recall a [*laid-off/furloughed*] employee within that period, we will inform them with an official letter within [*two days*] that we are permanently terminating them. We will pay them what the law requires (e.g. severance pay) from the first day of termination.

The first day of an employee's termination is the first day of their layoff, unless applicable law dictates otherwise.

### **Selecting employees for temporary layoffs/furloughs**

When collective temporary layoffs/furloughs are necessary, we will select employees according to the following criteria:

- Levels of performance
- Length of service
- Workload

We will not discriminate against protected characteristics. HR is responsible for ensuring that temporary layoffs/furloughs will not have an adverse impact on protected groups.

Branches, offices or departments may need to close if they aren't profitable or critical to the business.

HR or owners may initiate a temporary layoff/furlough process. HR is responsible for ensuring legality and efficiency.

### **Employee Rehire after a temporary layoff**

During the temporary layoff period, employees may apply to another department or branch of our company. We encourage supervisors to refer good employees to another assignment or position within our company. In the case of the laid-off employee being rehired, their temporary layoff period will end and they won't be eligible for severance pay from their first day in a new role.

If employees receive severance pay for a certain period, they must not work for our company during that period. If we rehire them in a different department or branch, before the severance period ends, they have to return the remaining portion of their severance payment. Employees may make arrangements for repaying that balance with HR.

In case of furloughs, employees returning to the company will not be eligible for unemployment benefits

### **Grievances**

If employees have any questions they can contact HR. If there are disagreements or complaints, we advise our employees to follow our grievance procedure.

#### **Procedure**

This general procedure should be followed:

- *HR* identify the need for reducing staff.
- *HR* select the positions, teams or departments that should be abolished, or branches that should close according to established criteria.
- HR ensures that no discrimination has taken place and that there won't be an adverse impact on protected groups.
- HR consults with an attorney to ensure legality of the process.

- HR notify employees selected for temporary layoff/furlough through an official letter explaining the reasons for laying off/furloughing employees and whether they should expect to be recalled.
- HR is responsible for discussing the temporary layoff/furlough terms with affected employees and addressing any outstanding payments and documentation.