[Company Name]
[Company Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee ID]
[Home Address]

Subject: Formal Declaration of Furlough

Dear [Employee Name],

Please be advised that due to [Reason for Furlough, e.g., economic downturn / restructuring / seasonal slowdown], [Company Name] is formally placing you on a mandatory furlough. This is a temporary leave of absence, and you remain an employee of the company during this period.

Furlough Details:

- **Effective Date:** [Start Date]
- **Expected End Date:** [End Date or "To be determined"]

Terms of Furlough:

During this period, you are not permitted to perform any work on behalf of the company. Access to company systems and email may be restricted. Regarding your compensation and benefits:

- **Pay:** This period of furlough is unpaid.
- **Benefits:** [Insert details regarding health insurance and benefit continuity].
- **Unemployment:** You may be eligible for unemployment insurance benefits. Please contact your local agency for more information.

We intend to recall you to your position as soon as business conditions permit. We will provide you with at least [Number] days' notice prior to your expected return date.

Please acknowledge receipt of this letter by signing below and returning a copy to the Human Resources department by [Date].

Sincerely,

[Signature]

[Name of Sender]
[Title]
[Company Name]

Acknowledgment of Receipt:

I, [Employee Name], acknowledge that I have received this notice of furlough and understand the terms stated above.

Signature: _____ Date: _____