

## City of Shreveport Employee Furlough Questions & Answers

The City has determined that every City employee with the exception of fire and police needs to participate in at least one day per pay period, to absorb the current and projected economic shortfall. The City is currently soliciting volunteers who are willing to be placed on LWOP status (voluntary furlough). Employees who volunteer will be chosen based on the needs and capacity of departments/divisions. Employees who volunteer to be furloughed will not be subject to the involuntary furlough, effective June 15, 2020 – December 31, 2020.

After individuals who wish to participate in a voluntary furlough are approved and savings are calculated, the City will determine the number of employees who will be subject to an involuntary furlough and/or the number of furlough hours required for those who will be involuntarily furloughed. Employees subject to an involuntary furlough will be chosen based on the needs and capacity of departments/divisions.

If there are more than enough volunteers to preclude the need for an involuntary furlough, the City will determine which volunteers will be placed in LWOP status considering, but not limited to, factors such as the employees' job classification/position description, designation as essential/non-essential, years of service, etc. Additional information can be found in the City's Furlough Policy.

Below are answers to some frequently asked questions regarding this process. These are separated by subject matter. See below...

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### I. Furlough Policy and Process

#### 1. **When will this start?**

The voluntary furlough period begins on June 1, 2020. Involuntary furloughs will begin on June 15, 2020; however, department heads and supervisors will determine how furlough days will be staggered amongst staff based on the needs of the department/division.

2. **When will we know how many involuntary cuts there needs to be?**  
The deadline for employees to notify department heads of their intention to participate in a voluntary furlough (LWOP) is end of business on Wednesday, May 27<sup>th</sup>. Once those employees are approved and savings are calculated, employees subject to the involuntary furlough will be notified of the number of furlough days per pay period.
3. **What about seniority/length of service and pay level? Would there be any change?**  
In accordance with the Furlough Policy, furlough days will not affect an employee's years of service (i.e., all employees will receive credit for service during a furlough period).
4. **Can probationary employees take advantage of the furlough, when they come back will they continue their probationary period?**  
Yes. All appointed, classified, and unclassified employees may request approval for a volunteer furlough. Employees who volunteer will be chosen based on the needs and capacity of departments/divisions.
5. **If the City does a furlough, will employees lose their jobs?**  
No. Per the Furlough Policy, this personnel action places employees in a temporary, non-duty and non-pay status while maintaining their eligibility for health benefits and retirement credit. This is unlike a "layoff", which is an actual employment termination with possible re-hire in the future.
6. **What is the shortfall?**  
The administration has projected a shortfall to the general fund in the estimated amount of 25 million dollars for the 2020 calendar year. The impact of COVID-19 on revenue will be determined in retrospect as actual numbers are reported. City revenue has been impacted directly and employers globally are making difficult but necessary decisions to reduce staff, eliminate programs, cut wages, and implement cost reduction measures. The Brookings Institute cites that not only are workers and businesses affected by COVID-19, but so is the fiscal capacity of governments that rely on a healthy economy for their revenue. City revenue to cover payroll, delivery of services, and legal obligations comes from sources that have been negatively affected by the public health emergency, including most significantly sales taxes, gaming revenue, water and wastewater utility payments. Furloughs help mitigate losses without layoffs or permanent pay cuts.
7. **How many do you need to furlough?**  
The City has determined that every City employee with the exception of fire and police, needs to participate in at least one day per pay period, to absorb the current and projected economic shortfall. After individuals who wish to participate in a voluntary furlough are approved and savings are calculated, the City will determine the number of employees who will be subject to an involuntary

furlough and/or the number of furlough hours required for those who will be involuntarily furloughed.

8. **How will employees be chosen to be placed on furlough?**

Employees wishing to participate in a voluntary furlough as well as employees, who are subject to an involuntary furlough, will be chosen based on the needs and capacity of departments/divisions.

9. **What would be a reason to decline a voluntary request if you are asking for volunteers?**

A request to participate in a voluntary furlough may be declined if it would not be feasible based on the current needs and capacity of the department/division.

10. **Is there a difference in the voluntary vs. involuntary?**

Per the City of Shreveport Furlough Policy, furlough refers to the placement of an employee in a temporary non-duty, non-pay status because of a lack of work or funds, or other non-disciplinary reason(s). Voluntary furloughs occur when employees volunteer to be placed on furlough. Involuntary furlough occurs when the City makes the decision to place the employee on furlough.

11. **Will classified members working with police and fire be included in the furlough?**

Yes. Pursuant to the Furlough Policy, "employee" refers to classified and unclassified personnel as defined in the City Charter.

12. **Will this affect those identified as essential by DHS? (Since we've had to remain on the job at the highest point of the pandemic.)**

All appointed, classified, and unclassified employees are subject to the furlough policy with the only exception being fire and police.

13. **What is the governmental code of ethics violation?**

The Code of Governmental Ethics is the body of law that protects against conflicts of interest and establishes appropriate ethical standards with respect to the conduct of elected officials and public employees without creating unnecessary barriers to public service. A governmental code of ethics violation is any action that operates against that body of law.

**Example:** You are an employee of the Department of Environmental Quality whose official job duty is to visit alleged hazardous waste sites and determine if the area is dangerous to the health of nearby residents. Could you work, on the weekend, for the owner of the land you have to analyze?

**Answer:** No, because the landowner has a substantial economic interest in the outcome of your survey. For example, he may have to pay expensive cleanup costs or his property value may fall depending on the results of your survey. This

being the case, the landowner would be a prohibited source of income for you. (See La. R.S. 42:1111(C) (2) (d))

**14. Can the city issue a furlough guide that includes refresher/reminder of job types that might violate the Code of Ethics?**

Public servants and elected officials are required to take one hour of training per calendar year on the Code of Governmental Ethics pursuant to LA R.S.42:1170A. All City employees are required to complete their Governmental Ethics training by the December 31<sup>st</sup> of each year. For training opportunities, visit <https://eap.ethics.la.gov/SeminarRegistration/>.

**15. If an employee volunteers for furlough can they rescind that down the road at some point if their position was not on the list to be mandatory furloughed?**

No. The voluntary furlough period is from June 1<sup>st</sup> – July 31<sup>st</sup> and may not be altered by employee.

**16. How will involuntarily furloughed employees be chosen?**

If the City is unable to meet its budgetary constraints through the use of volunteers and the LWOP process, it shall then furlough employees in each division/department based on the requirements of each department by first furloughing the least senior employee in the respective division/department based on the employee's job classification/position description.

**17. How will probationary employees and temporary employees be impacted?**

In compliance with the City of Shreveport Personnel Rules, initial probationary employees placed on leave without pay may be replaced with a temporary appointment to ensure reemployment when able to again resume duty. In no event, however, shall reemployment be assured or promised if the period of leave without pay exceeds ninety (90) consecutive calendar days unless otherwise required by law. Employees so reemployed shall begin serving their probationary period from date of rehire with service time credited for continuous work before the leave of absence.

**18. How much notice will employees be given if they are selected for mandatory furlough?**

The City shall provide employees with a minimum of 14 days' notice prior to involuntary furlough. Employees shall be provided a written notice which will include the following: A general explanation for the furlough; and the approximate number of furlough days. If the number of furlough days is not known in advance, the City will make reasonable efforts to communicate the number of furlough days once the information becomes available to the City.

**19. In the case of mandatory furlough, will employees be able to request the days they would like to be furloughed?**

The Furlough Policy states to the extent possible, the City may permit employees to choose the days on which they will be furloughed. In the event of scheduling conflicts among equally qualified employees, the employee with the most amount of service will be given preference.

20. **How long will you have your benefits while out on Furlough?**

During a furlough period, the City shall continue to pay its' share of the health insurance and benefits premiums; employees are responsible for their portion of health insurance and benefits premiums. Employees remain responsible for all voluntary insurance coverage for which they are enrolled in during a furlough period.

21. **Is my job status protected?**

Yes. This personnel action places employees in a temporary, non-duty and non-pay status while maintaining their eligibility for health benefits and retirement credit rather than permanently separating employees from the workforce.

22. **Can you accrue annual / sick leave?**

Per the Furlough Policy, employees shall not accrue leave (annual or sick) while in furlough status (during any pay period in which he/she accumulates a full workweek of LWOP hours); however, employees shall not forfeit their accrual balances at the time of furlough.

23. **Do you lose your benefits after 6 months of Furlough?**

No

24. **If I volunteer to furlough, will it affect my “Drop” participation/monies?**

DROP participants monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, shall continue to be paid into the deferred option plan account as authorized by Sec. 66-106. – Deferred retirement option plan.

## **II. Timeline of Furlough**

25. **The City Furlough policy states a furlough shall not exceed 6 months. What is the timeframe of this furlough?**

The voluntary furlough period is continuous and uninterrupted from June 1, 2020 to July 31, 2020, at which time employees shall return to work unless the employee has submitted appropriate leave requests and leave has been approved.

Involuntary furloughs will begin on June 15, 2020 and will continue through the remainder of the year (December 31, 2020) at a rate of at least one day per pay period based on the needs of the City after voluntary furloughs. Employees will return to work following each day of furlough unless the employee has submitted appropriate leave requests and leave has been approved.

26. **Is this strictly for 2020 budget year or will it extend into next year?**  
Currently, furloughs are only effective through year 2020.

### **III. Part-Time and Full-Time**

27. **Can I go part time?**  
The availability of full-time and part-time positions should be discussed with depart/division heads.

### **IV. Return to Work**

28. **Will the Employee get something in writing, (contract, etc.) guaranteeing them the same position upon return?**  
Per the Furlough Policy, furloughed employees shall be returned back to their respective positions once the furlough period has ended.
29. **Will there be a probation period after the employee returns?**  
No, only employees who were in a probation period prior to being placed on furlough will be on probation after returning to work after the furlough ends.
30. **Will your same job be secured once you return from furlough?**  
Per the Furlough Policy, furloughed employees shall be returned back to their respective positions once the furlough period has ended.

### **V. Unemployment**

31. **Can an Employee be guaranteed that the unemployment benefits will not be denied by the COS?**  
Employees may be eligible for unemployment benefits; however, approval or denial of unemployment benefits is determined by the State. Employees should contact the Louisiana Workforce Commission regarding specific details and provisions surrounding application, eligibility, and collection of benefits.
32. **If chosen, will the letter state that it is due to COVID-19 as it refers to unemployment?**  
Yes, furloughed employees will receive documentation outlining the nature and terms of the furlough.
33. **Will we still qualify for unemployment and special COVID unemployment if we volunteer to furlough?**  
Pursuant to Proclamation Number 59 JBE 2020 signed by Governor John Bel Edwards on May 14, 2020, individuals who are otherwise eligible for unemployment benefits shall not be disqualified when he has left his employment and the separation is the direct result of the impact caused by COVID-19. However, employees seeking to obtain unemployment benefits should contact

the Louisiana Workforce Commission regarding specific details and provisions surrounding application, eligibility, and collection of benefits.

**34. Do those with reduction in hours still qualify for unemployment?**

Generally, individuals may work part-time while receiving unemployment benefits, but a portion of those earnings may be deducted from your weekly benefit amount. However, employees seeking to obtain unemployment benefits should contact the Louisiana Workforce Commission regarding specific details and provisions surrounding application, eligibility, and collection of benefits.

**35. Will the city provide documentation so furloughed employees can apply for assistance (unemployment, SNAP, etc.)?**

Yes, furloughed employees will receive documentation outlining the nature and terms of the furlough.

**36. Can you get both health insurance and unemployment benefits if you take a voluntary furlough?**

An employee's ability to maintain employer benefits during a layoff generally should not impact their eligibility for unemployment benefits, which replace lost wages.

**37. How long can I get unemployment and how much will it pay?**

If approved for unemployment, recipient must report weekly income. If a person makes \$200 or more in a week, they will draw ZERO amount of UI for that week. For a claimant to get the extra \$600/week Stimulus Money, they have to draw at least \$1 dollar in regular unemployment benefits for any given week. Employees would need to consult with LWC and consider this threshold.

## **VI. Retirement**

**38. Will the City pay employees' retirement benefits?**

Yes, based on earnable compensation outlined in Section 66, Article II of the Code of Ordinances. The total payable by the city in each year shall be an amount equal to a maximum of 28 percent (in 2020) of the earnable compensation of each member. (Sec. 66-64. - Accounts; contributions by members and city; administrative expenses; etc.). The contribution of each member is 12% (in 2020) of his earnable compensation. *Earnable compensation*, with respect to any member, means total compensation paid by the employer for a calendar year, excluding any overtime earned after March 15<sup>th</sup>, 2011. Amounts contributed by the employer under the system and any nontaxable fringe benefits provided by the employer shall not be considered as compensation. The determination of compensation shall be made by including salary reduction contributions made on behalf of an employee to a plan maintained under Internal Revenue Code sections 125.414(h) and 457.

39. **Can I retire; does this effect retiring in anyway?**  
Furlough does not prevent employees eligible for retirement from retiring.
40. **Will I have to pay my part of retirement, does the city continue to pay into my retirement?**  
The employee and City continue to pay ERS contributions based on the percentage of earnable compensation, as approved by Council ordinance (28% for City and 12% for Employee)
41. **Does the City pay our retirement portion while on furlough?**  
No
42. **Does this effect my retirement or years of service? Will you have to stay an additional 6 months at retirement if you are furloughed?**  
The city will honor the year of service furloughed under COVID-19.
43. **Can you still pay into your retirement?**  
Yes, 12% of earnable compensation as provided by Chapter 66, Article II of the city Code of Ordinances
44. **If we have employees that are coming very close to their retirement status, can the city buy them out? Is there a package being offered?**  
This is not being offered at this time.

## **VII. Benefits**

45. **How do I pay for my benefits, do I have to keep paying for them?**  
Employees volunteering for a consecutive furlough must make their entire employee share of health insurance and benefits premiums payments no later than June 1<sup>st</sup> and July 1<sup>st</sup>. Missed or late premium payments will put employee's insurance coverage at risk. Payments may be made by check delivered or mailed to the city benefits office, or may be paid online by credit card at <https://www.shreveportla.gov>. Employees furloughed involuntary will have benefit premiums withdrawn from regular payroll.

## **VIII. Compliance**

46. **Can you be laid off while on Furlough?**  
No. Per the Furlough Policy, furloughed employees shall be returned back to their respective positions once budgetary constraints are alleviated. If the City determines that budgetary constraints have not been alleviated after employees have returned to service, layoffs of classified employees shall be handled as outlined in Section 19 of the City's Personnel Rules and Regulations. As for unclassified employees, because Louisiana is an "At-will" employment state, employers are allowed to terminate any employee at any time and for any

reason, as long as a contract or another statute governing the employer-employee relationship does not exist.