


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: June 5, 2009

To: The Heads of City Departments (excluding proprietary departments)

From: Raymond P. Ciranna, Interim City Administrative Officer 

Subject: **FURLOUGH IMPLEMENTATION**

On May 18, 2009, the City Council approved an Emergency Resolution and reduced work schedule ordinance that provides for the implementation of 26 furlough days during fiscal year 2009-10 for civilian employees. At its meeting on June 3, 2009, the City Council approved the furlough framework plan described below.

CLOSURE OF CITY DEPARTMENTS

To the extent feasible, all City departments (excluding proprietary departments) will be closed for business, both to the public and other City departments, on the second and fourth Friday of each month, for a total of 24 days. Two additional days of closure will be determined at a later date. Furloughs will be implemented starting Pay Period 2, with the first furlough day being **July 10, 2009**.

FLEXIBLE / STAGGERED FURLOUGHVS vs. DEPARTMENTAL CLOSURES

There are a limited number of City operations which cannot be part of a City-wide closure due to the nature of the operation (e.g., 911 operators, wastewater treatment plants, traffic officers). These operations must be self-sustaining and not dependent on other City departments. For those operations, employees will be subject to the 26 furlough days, but department management will be required to schedule those days on a flexible/staggered schedule, as best meets the needs of the department. The scheduling of these flexible furlough days would be similar to scheduling vacations.

EMPLOYEES COVERED BY PROGRAM

In the interests of equity, all full-time civilian employees (excluding proprietary departments) will be required to participate in the furlough program regardless of funding source. Therefore, all general-funded, grant-funded, special-funded, and fee supported positions will be included. Both the City Attorney's Office and the Controller's Office are included in the furlough program approved by the Council.

Half-time employees will be excluded due to the impact on benefits. The City Council will be requesting the Boards of Commissioners of the proprietary departments to adopt a similar furlough program.

WORK SCHEDULES

In order to maintain appropriate service levels and equity in the furlough program, the only scheduled day off (other than approved leave) is the furlough day. Therefore **all employees shall be placed on a work schedule of nine 8-hour days (72 hours per pay period) for the term of the furlough program.** A few unique operations, as determined by department management, may be assigned to a different schedule.

Staff who are currently on a 72-hour work schedule shall continue with that schedule and will not be required to take additional furlough days. However, the day off for these employees will be the 2nd and 4th Friday of each month.

Staff who are currently exempt from FLSA overtime regulations (salaried employees) will be designated with a 72-hour biweekly work schedule. There will be no compensation for hours worked over the 72-hour schedule.

The 1982 City Council policy on alternative work schedules has been rescinded.

OVERTIME

Pursuant to the provisions of the Memoranda of Understanding and the Administrative Code, overtime for hourly employees (FLSA non-exempt) will continue to be paid after 40 hours of compensated time in a work week. However, given the severe nature of the City's current fiscal crisis, **overtime hours should not be assigned except for extreme operational emergencies.**

IMPACT ON EMPLOYEE HEALTH AND BENEFITS

The furlough program will not affect full-time employees' health/dental benefits, retirement service credit, or seniority. Each employee's biweekly retirement contribution will remain based on the 80-hour biweekly rate.

Because imposition of furlough days would impact health/dental and retirement benefits, furlough days will not be required for half-time staff at this time.

MEET AND CONFER OBLIGATION

The Employee Relations Division of this Office will be responsible for meeting and conferring with the affected unions over the impact of the furlough plan implementation. Department staff may be called upon to provide information regarding specific department operations as needed.

DEPARTMENT REPORTING REQUIREMENTS

Each Council-controlled department is required to report back to the CAO with a plan for furlough implementation within the approved Council framework, including:

Heads of City Departments - 3

1. A description of the service impact to the public
2. A description of the service impact to City departments
3. Proposed exceptions from the nine 8-hour day schedule, including a list of classifications and the division/section proposed for exception
4. The department's furlough plan for those proposed exceptions

Please email your plan to cao.erd@lacity.org no later than **June 12, 2009.**

If you have any questions regarding the furlough plan implementation framework, please contact Susan Harbach of the Employee Relations Division at (213) 978-7638 or via email at Susan.Harbach@lacity.org. A Frequently Asked Questions document for distribution to employees will be provided soon and posted on the CAO's website.

RPC:SLH:kh489

c: Personnel Directors
Civilian Unions