

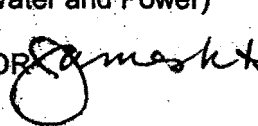


CITY HALL  
LOS ANGELES, CALIFORNIA 90012

JAMES K. HAHN  
MAYOR

## MEMORANDUM

TO: THE HEADS OF ALL CITY DEPARTMENTS  
(except Department of Water and Power)

FROM: JAMES K. HAHN, MAYOR 

DATE: MARCH 10, 2004

SUBJECT: 72-HOUR WORKWEEK PROGRAM

As you are all aware, the City is exploring many options to address the budgetary shortfall it is currently facing. In addition to the freeze and the alternatives we are discussing as part of the budget process, I want to remind departments, and strongly encourage the use of, another option that currently exists.

The City has a program, authorized by Los Angeles Administrative Code Section 4.117, that allows employees to voluntarily request a 72-hour per pay period schedule while retaining the benefits of full time employment. Over the years, this provision has been used sporadically and not all departments or employees may be aware of its existence. However, it has been particularly encouraged during periods when departments have needed to reduce salary costs. Such voluntary actions on the part of employees can help the City with its current financial problems.

Therefore, the purpose of this communication is: 1) to direct all departments to distribute this letter to all employees notifying them of the program; and 2) to encourage management to grant as many requests for a reduced workweek as is operationally feasible.

In order to insure this program is utilized to the maximum extent, all denials of employee requests to work such schedules must be approved by the department head and forwarded to the Employee Relations Division of the City Administrative Officer for review. In addition, each department is to provide a report to the CAO by March 26, 2004 indicating the number of employees on the 72-hour schedule, by job classification, and the projected salary savings.

Attached is a copy of the Code Section and a revised CAO Employee Relations Bulletin that provides guidelines regarding the program.

JKH:tf  
Attachment





# *employee relations* **BULLETIN**

March 10, 2004

**To: The Heads of All City Departments  
All Recognized Employee Organizations**

**Subject: REDUCED WORKWEEK SCHEDULES – MAINTAIN BENEFITS FOR FULL-TIME EMPLOYEES WHO REDUCE THEIR WORKWEEK**

The Los Angeles Administrative Code Section 4.117 permits the continuation of full-time benefits to employees who voluntarily reduce their number of hours worked (and paid) from 80 to not less than 72. The concept of a reduced work schedule was initiated as an alternative to reducing salary costs when departments face a shortfall of salary funds. Departments should only approve reduced schedules when it is operationally feasible to do so.

**A. Impact on Benefits of Employees Working a Reduced Schedule:**

1. Retirement – The employee's retirement deduction will be taken as though he/she is being paid for 80 hours.
2. Salary Step Advancement – No delays in step advancement will occur.
3. Sick Leave – Employees working a reduced schedule will receive full accrual.
4. Vacation – There is no change, as the Administrative Code provides for 30 day of personal leave in a service year before vacation accruals are affected.

**B. Overtime – FLSA Non-Exempt Employees:**

Employees shall be credited for overtime worked as follows:

1. Employees on a reduced work schedule should be placed on the standard FLSA calendar workweek schedule (i.e., 12:00 a.m. Sunday through 11:59 p.m. Saturday) unless operational needs necessitate another schedule.

2. Employees may be scheduled to work 8 or 9 hours per day depending on the operational needs of the department. Employees shall not be assigned to work more than 40 hours during a workweek, unless overtime is authorized.
3. Under FLSA, all hours worked over 40 hours in a workweek by non-exempt (non-salaried) employees are considered overtime. The method of overtime compensation will be in accordance with the provisions of applicable MOU or Administrative Code Section 4.113.

If an employee works on a regular day off, the hours worked would be paid at straight time before overtime is credited. For example, if an employee is placed on a 72-hour schedule with a regular day off (RDO) on first Wednesdays and the employee works his/her RDO, the employee would not automatically incur overtime as shown below.

	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Hours
Week One		8	8	8 HW (Regular Day Off)	8	8		40
Week Two		8	8	8	8	8		40

**C. Exempt Salaried Employees:**

Salaried employees, as defined in the LAAC or applicable MOUs, who are placed on a 72-hour schedule will be compensated a predetermined salary based on 72 hours.

3ib555

## **LOS ANGELES ADMINISTRATIVE CODE**

### **Sec. 4.117. Reduced Work Schedule**

Notwithstanding Section 4.108(a), whenever a full-time employee voluntarily reduces the number of his/her biweekly regular hours from 80 to a number not less than 72 at the request and or with the permission of his/her department, office or bureau, such employee shall be credited with all rights and benefits as though he/she worked 80 hours in the payroll period. Compensation received under the circumstances herein provided shall be considered full compensation for all employees participating in such voluntary hour reduction.

#### **SECTION HISTORY**

Added by: Ord. No. 157,826, Eff. 7-25-83.

Amended by: In Entirety, Ord. No. 175,048, Eff. 1-23-03.