

## Policies for Paying Staff Salaries and Benefits in the Event of a Pandemic-related Shutdown

Here is some language to consider for personnel policies during this health crisis. You must have written policies in place to continue to pay employees out of grants, if on leave or reduced hours.

Based on M-20-11 Memorandum for the Heads of Executive Departments and Agencies from the Office of Management and Budget (OMB) dated March 2, 2020, "Awarding agencies may allow recipients to continue to charge salary and benefits to currently active Federal awards consistent with the recipient organization's policy of paying salaries (under unexpected or extraordinary circumstances) from all funding sources, Federal and non-Federal. Agencies may allow other costs to be charged to Federal awards, including those necessary to resume activities supported by the award, consistent with applicable Federal cost principles and benefit to the project."

Based on this guidance it appears that: (1) organizations receiving funds that come from Federal sources (including those funds that are administered by the state) are eligible to continue paying salaries and benefits of staff in the event of a pandemic-related shutdown, (2) agencies administering those funds have discretion to decide if they will allow this, and (3) recipients must have organizational policies in place that allow for paying salaries and benefits in "unexpected or extraordinary circumstances."

WCASA advises agencies to adopt formal language immediately into personnel policies that would give organizations this discretion. Some sample language options are below; however you should choose what works best for your agency and consider the implications of adopting or not adopting a policy:

1. In certain extraordinary circumstances, it may be necessary for our office and/or facilities to close and some or all staff may be required to remain home. The Executive Director, or their designee, may decide to pay all staff their usual salary and continue any applicable benefits through the duration of office closure. This will be clearly communicated in writing to staff from the Executive Director or their designee.
2. In the event of an emergency, including but not limited to a natural disaster or pandemic, where our organization cannot perform services and an individual may not perform their job duties, the Executive Director or their designee may offer paid leave for those affected without requiring an employee to use personal leave time. This will be clearly communicated in writing to staff from the Executive Director or their designee in writing.

In drafting personnel language, there are some things you may want to consider at this time:

- Agencies may want to address telecommuting policies and when staff should telecommute and when leave will be offered.
- The "extraordinary circumstance" pay policy does not have to be perfect right now and can be amended later, but can cover the basics now to ensure that grant funds can be used to pay staff if your agency has to shut down.
- Doing everything in our power to pay staff during times of crises is one way to live into values of equity and economic justice. Please also note that funders are still allowed to make decisions based on your ability to provide services and your grant reports.



- Per our discussion with funders, programs implementing this kind of leave policy must apply the policy to all staff, regardless of the funding source or type. For instance, you may **not** pay only your federally-funded staff and put locally-funded staff on unpaid leave.

#### **Examples from Agencies:**

“When the BLANK office is unexpectedly closed because of uncontrollable factors, time off for staff scheduled to work will be considered an excused absence with pay and will not be charged to leave time. If the office is closed during an employee’s previously scheduled PTO or holiday leave, the time off must still be charged to the employee’s leave balance. Extended closure beyond 3 (three) workdays is subject to review and alternate arrangements may be required in order for employees to continue receiving pay; employees will be given 24 (twenty-four) hours’ notice of any such required arrangements.”

“Paid Administrative Leave: In the event of an Act of God (i.e. tornado, flood, pandemic health crisis) BLANK may have to temporarily reduce or cease business activities. If this were to occur, staff may be placed on paid administrative leave.”

