



Memorandum

Memo Date: April 10, 2020
From: Heidi Smith
Meeting Type: Special Board Meeting
Meeting Date: April 14, 2020
Action Requested: For Approval
Subject: Extending All Staff Compensation During Emergency Closing - UPDATED

Background:

As public library buildings across the nation remain closed in compliance with guidelines put in place by the Federal and State governments due to the outbreak of coronavirus (COVID-19), local library governing boards are considering the question of whether or not to continue to pay some or all library staff for some or all of their regular hours while facilities are closed and virtual library services are the primary means of community service.

Per the Library's Employee Manual: Library Appendix on Emergency Closings:

When it is necessary to close the library in an emergency situation (e.g. snow, power failure, etc.) full-time employees will be paid for the hours they normally would have worked that day. Part-time employees present at the time of closing will be paid for the hours they normally would have worked to the end of their scheduled shift or one hour beyond the time of emergency closing, whichever is less. Other part-time employees will be notified not to report to work and will not be paid.

Last month, the Library Board approved full compensation and benefits for regularly scheduled hours for all library staff until social distancing instructions are lifted to the extent that the Library can safely re-open to the public OR April 18, 2020, whichever comes first. Since then, Governor Pritzker extended the shelter-in-place order through April 30.

Update:

The Library is an integral part of our community, and we are adapting and providing services and outreach that our community needs at this time. What we're providing now is just as relevant as the services we provided in February. As conditions evolve, so we must, and so we will. The current priorities the team is working on are as follows:

1. **Support community with adapted virtual library services.**
2. **Prepare to reopen with possibly limited services with social distancing protocols in place.**
3. **Plan for a possible economic downturn.**

We are making very good progress with priorities 1-2; I have started to work on priority 3, gathering information and starting discussions. We will be able to do more much more rapidly once priorities 1-2 are on firmer ground.

I am very proud of how our team has responded to this situation in service of the community. The team has worked extremely hard to adjust to telework while balancing family responsibilities and processing the impacts of this pandemic. From March 13 to April 4, all of our 74 staff have engaged from home, and while encouraged, not required to telework, they completed 79% of total regular hours. We are learning so much and will be a stronger team as a result. We are:

- Developing and providing virtual services
- Engaging in team communication and planning with new tools, including a virtual workspace platform
- Supporting existing and ongoing library projects
- Participating in professional development
- Volunteering and other activities in response to the health crisis
- Planning our return to the Library building

I will report April 4-11 and 4-week averages at the meeting. Please refer to the monthly report for a summary of activities.

We acknowledge that this is an extremely difficult and uncertain time for everyone and that tough decisions must be made. Our exceptional team cares deeply about the Park Ridge community and each other, as they have demonstrated in the last few weeks. While some PRPL staff are unable to work remotely for all of their typical hours due to the type of work they typically perform, family obligations, technological constraints, or other circumstances, I have found the results of their collective work as well as their support of each other to be a good return on investment, given the current conditions.



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If the Library continues to compensate all staff who are “encouraged, not required” to work from home, Park Ridge can expect additional virtual services in the weeks to come. If we were to require work from home, leaving some with unpaid time, we would need to put into place restrictions that may have larger implications. This includes but is not limited to:

1. If work from home is required and conditions lose flexibility, we would likely see some staff invoke eFMLA leave for the care of minor children out of school (2 weeks unpaid leave; 10 weeks at two-thirds pay) which would cost the community both the impactful work of good employees as well as the cost of two-thirds their wages.
2. Administrative time and legal costs to develop and implement formal telework policy and practices or any type of unpaid furlough plan would take away from planning for the best way to reopen the Library. The current timeline could allow for more staff to return to the Library as early as May 1, so we need to continue our focus on plans to reopen the building safely to staff who will support processing physical materials.
3. For anticipated long-term revenue implications, short-term changes while the building is closed would not necessarily be reflective of long-term changes we may need to make to services, resources and staffing in the future. Given this timeline, projected costs (see below) and morale of the team and community, it would be better to make these tough decisions once, thoughtfully considering the most meaningful community impacts.

Over 17 million people have applied for unemployment in the last 3 weeks, with an estimated national unemployment rate at 12%, the highest since the Great Depression (NPR, 4/9/2020). The U.S. Small Business Administration Paycheck Protection Program provides loan forgiveness for paying and retaining employees. As a government agency, the Library is not eligible for this program. The federal government is doing everything it can to try and keep people on payrolls, so as a local unit of government we should do the same as we are able to do so. Any reduction in staff hours would likely add more people into a completely overwhelmed unemployment system, contrary to government efforts to maintain employment.

Since last reporting, Mt. Prospect Public Library furloughed approximately two-thirds of their staff without pay on April 7. It is unclear whether or not these were part-time staff, but appears to be staff who were not able to directly support the virtual library. Mt. Prospect currently has no policy for compensation of staff during emergency closings. I am not aware of another library in our immediate geographic area taking this step.

The following is chart of potential savings that may come with furloughing all 48 part-time staff, many of whom are directly supporting virtual services, or an estimated 15 staff who have limited telework opportunities.

	Typical Library Cost	Estimated Cost Library Unemployment	Estimated Savings to the Library	Estimated Cost to Federal Government	Additional Costs overall
One week 48 PT	\$ 13,500	\$ 3,200	\$ 10,300	\$ 32,000	\$ 21,700
Two weeks 48 PT	\$ 27,000	\$ 6,400	\$ 20,600	\$ 64,000	\$ 43,400
Five weeks 48 PT	\$ 67,500	\$16,000	\$ 51,500	\$160,000	\$108,500
One week 15 PT	\$ 3,200	\$ 800	\$ 2,400	\$ 9,800	\$ 6,600
Two week 15 PT	\$ 6,400	\$ 1,600	\$ 4,800	\$19,600	\$13,200
Five week 15 PT	\$16,000	\$ 4,000	\$12,000	\$49,000	\$33,000

(Unemployment calculated at 47%; Library would pay 50%; federal government the remainder plus \$600 per week each)

Losing two-thirds of the staff would have serious service implications for virtual services as well as our ability to be ready to resume physical library services. Losing 15 of our team would not impact virtual services, but could impair a swift service response once we reopen as well as shake morale of the rest of the team. The silver lining would be that individual staff, especially those who are lowest paid and most negatively affected by telework, would receive significantly more than their regularly weekly paycheck from unemployment, but that bill will come due to all U.S. taxpayers eventually. Example: To a page earning \$125/week, the Library would pay approximately \$25 of the \$650 weekly unemployment benefit, annualized to \$33,800 for someone who typically earns \$6,500 a year. It's possible some of our team are not eligible for unemployment, but I am unable to include that in these estimates.



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Summary:

We're teleworking as much as possible, we're doing a good job with virtual services, we have more in the works, and we're working on a plan for safe return to the Library building. Reducing staff hours would enable the Library to increase its fund balance in preparation for tough times ahead, but the Library has the resources to pay staff and keep them off unemployment in support of the federal government's efforts, saving U.S. taxpayers 3 to 4 times that amount. Continued flexibility would enable the team to continue to focus on virtual services and reopening the Library with as much of the team working toward those goals as possible.

- Additional costs:
 - New federal government supplement to unemployment
 - Legal costs to develop and implement furloughs and required work from home policies
 - Potential turnover costs
- Possible losses:
 - Part-time staff current impact on virtual services
 - Losing the engagement of and possibly losing staff before/during a crucial shift back to the building
 - Administration and leadership time developing virtual services and planning to reopen
 - Morale for both staff and community and library reputation as employer and service provider
- Additional savings:
 - Possible reduction in purchase of physical materials if release dates are delayed
 - Reduced professional development with spring and summer conferences cancelled
 - Possible postponement of the sprinkler project (under review)

Recommendation:

In order to successfully fulfill the first two priorities listed above, and taking into account the current official shelter-in-place end date is April 30th, I recommend this 5-week extension as the current best course of action. Once plans for reopening are outlined and we have more information from the State and Federal governments, we can shift to reconsider this plan if needed and then move on to preparing the Library for the long-term economic impacts. Libraries do the most for communities in times of crisis when money is tight, so it will be a challenge that requires careful consideration. However, the unemployment numbers will be the same in 5 weeks as they are now.

I must include in my recommendation that while it is key to run the Library like a business, it is also *vital* that we also run it like a community service center. We mustn't forget that the staff are valued and trusted members of the local community, and day-in and day-out, they give us their all. I strongly believe its times like these that we need to double down on our investment in them as they are currently doing the same for Park Ridge. As we can see from the numbers, it will pay off financially in the big picture for our country. In terms of the service, connection, inspiration and value we provide to the community, it will pay off tenfold in hard work, loyalty, and long-lasting community impact.

Should all 5 weeks prove necessary, the Board could consider next steps at the currently scheduled May 19th Board meeting.

Suggested motion:

To approve a 5-week extension of full compensation and benefits for regularly scheduled hours for all library staff until social distancing instructions are lifted to the extent that the Library can safely re-open to more than essential staff OR May 23, 2020, whichever comes first.