

Monday, April 6, 2020 12:00 – 1:15 pm (Eastern)

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Virtual Town Hall COVID-19 & Workforce Planning

Today's Presenters









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Presented by Nonprofit HR in collaboration with Venable, LLP



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Virtual Town Hall COVID-19 & Workforce Planning

Today's Focus

- Analyzing workforce planning options
- Considering legal implications
- Understanding the WARN Act
- Avoiding benefit compliance pitfalls
- Surviving on the other side
- Q&A



Workforce Planning: The Big Picture

The process an organization uses to analyze its workforce and determine steps to prepare for future staffing needs

--The Society for HR Management

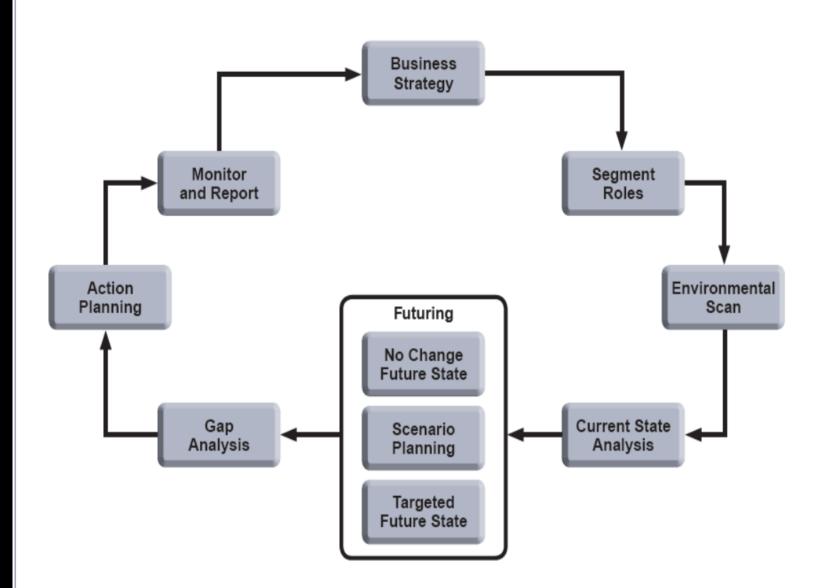




Workforce Planning:

The Big Picture





Defining Workforce Reduction Options

- Hiring freezes
- Furloughs & salary reductions
- Layoffs
- Position Eliminations



Considering Alternatives to Workforce Reductions

- Salary & bonus rollbacks
- Salary & bonus freezes
- Benefit reductions (e.g. 401K matching)
- Job-sharing



Ensuring Compliance during Workforce Reductions

- 1. Review employment agreements
- 2. Conduct EEO disparate impact analysis
- 3. Determine applicability of WARN (Workers' Adjustment & Retraining Notice) Act
- 4. Comply with state-required termination notices
- 5. Create/review draft releases/waivers/severance agreements
- 6. Comply with state final pay requirements



Employee Benefit Considerations

- There is no government mandate that dictates what benefits must be offered under a furlough vs. layoff. Typically a furlough means that some benefits (determined by employer) may continue (health and life insurance)
- If your organization is considering furlough, connect with your broker or carriers to discuss the impact of the benefit programs you decide to continue and determine how employees will pay premiums while on furlough (check, paypal, etc.)
- COBRA should be offered to staff that are laid off or furloughed (based on employer decision to offer health insurance). To help offset cost, perhaps offer severance to cover payments.



Employee Benefit Considerations

- Retirement plans reducing employer contributions must be reflected in new plan language. If considering furloughing employees be sure to seek guidance on how partial terminations and vesting issues, service credits, deemed distribution consequences could impact employees and plan compliance.
- Accrued Leave could be used to pay staff during furlough or must be paid according to PTO policy if laid off
- Unemployment Insurance while regulations vary by state, the federal government allows employees furloughed due to COVID-19 to apply for and receive unemployment insurance.



Employee Benefit Considerations

- Workers' compensation claims continue regardless of employee status
- Work with insurance broker to determine how layoff or furlough will impact benefit plan renewal rates



Surviving on the Other Side

- Communicate, communicate, communicate and then communicate more!
- Acknowledge the emotional and physical challenges of staff remaining with the organization
- Utilize programs that are in place (e.g. EAP).
- Workloads don't decrease... but teamwork, productivity and innovation may stall
- Encourage staff to continue workplace friendships



Important Takeaways

- 1. Focus on staff retention.
- 2. Determine viability of workforce reduction alternatives.
- 3. Design multiple workforce reduction plans so they're actionable, if/when needed.
- 4. Stay compliant.
- 5. Consider impact to benefit plan compliance and staff eligibility.
- 6. Communicate plans with staff.
- 7. Acknowledge "survivors' guilt." Continue support to remaining staff.

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Keep your safety top of mind!

Download tools from our new Coronavirus Digital Information Portal



What you need to know about coronavirus disease 2019 (COVID-19)



How can I help protect myself

to others, you should Stay home when you are sick. Cover your cough or sneeze wi

ongoing spread of COVID-197

Is there a treatment?

COVID-19 Trustworthy Resources

- General Updates:
 - CDC travel notices
 - CDC COVID-19 webpage
 - WHO COVID-19 webpage
 - Live news updates from the <u>New York</u> <u>Times</u>, <u>CNN</u> and <u>Washington Post</u>
- Workforce planning resources:
 - US Department of Labor webpage webpage

