

CHIEF ADMINISTRATIVE OFFICE  
CITY OF NEW ORLEANS

HELENA MORENO  
MAYOR

JOSEPH I. GIARRUSSO III  
CHIEF ADMINISTRATIVE OFFICER

CIRCULAR MEMORANDUM No. 26-01

January 16, 2026

TO: All Departments, Boards, Agencies, and Commissions

FROM: Joseph I. Giarrusso III, Chief Administrative Officer

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**SUBJECT: MANDATORY FURLOUGH/SALARY ADJUSTMENT PROCEDURES**

**I. PURPOSE**

This memorandum announces a mandatory unpaid furlough or salary adjustment for all city employees who do not meet the exemption criteria detailed herein. Classified employees and unclassified hourly employees are required to take the equivalent of twenty-two (22) unpaid furlough days in 2026, which should be spread out to approximately one furlough day per pay period beginning February 15, 2026.<sup>1</sup> Unclassified salaried employees are required to take a 10% pay reduction during the furlough period beginning on February 15, 2026, and ending on December 31, 2026. The furlough period may end before December 31, 2026, if the Chief Administrative Officer determines that budgetary conditions allow.

**II. PAY CODES**

Pay code "Furlough 2026" will be used within ADP to identify the hours that an employee is furloughed. Pay code "Unclassified Adjustment 2026" will be used within ADP to identify the hours attributed to salary adjustment days for applicable unclassified salaried employees.

**III. EMPLOYEES AFFECTED BY NEW WORK SCHEDULE**

Except as otherwise stated in this section, the mandatory furlough affects all classified employees, exempt and non-exempt, and all unclassified hourly employees. In lieu of furlough, unclassified salaried employees will have mandatory pay adjustment days, yielding a total adjustment through the end of the fiscal year of approximately ten percent (10%). Part-time

<sup>1</sup> Furlough days should be spread out to approximately one furlough day every other pay period for employees paid weekly.

employees will be required to take a prorated number of furlough or salary adjustment days based on the number of hours worked. Employees hired during 2026 will be required to take a prorated number of furlough or unclassified adjustment days based upon their date of hire and salary.

### **EXCEPTIONS**

**Essential Workers:** The following departments are fully or partially exempt from the requirements of this circular policy memorandum ("policy" or "circular memorandum") due to the critical nature of their responsibilities in maintaining essential services.

- a. Chief Administrative Office: Only the following positions within Department Code 2297 are exempt from this policy: Automotive Maintenance Special, Automotive Technician I, Automotive Technician II, Automotive Diesel Mechanic, Automotive Mechanic (Lead), Automotive Mechanic Journeyman, Fleet Operations Supervisor, Laborer. All other employees are subject to the requirements set forth in this policy.
- b. Department of Finance: All employees within the Bureaus of Purchasing, Revenue, and Treasury are exempt from this policy. All employees within the Finance Director's Office; Bureau of Accounting; and Bureau of Retirement are subject to the requirements set forth in this policy.
- c. Department of Parks and Parkways: All employees except for the following are exempt from this policy: Director; Deputy Director; Management Development Analyst I; Principal Office Support Specialist; Landscape Architect; Management Development Specialist I and II; Senior City Planner; Budget Coordinator; Office Support Specialist; Executive Assistant; Secretary of Parks and Parkways.
- d. Department of Public Works: Only the following positions are exempt from this policy: All positions in Department Codes 5356 (Ticket Writing Section) and 5358 (Towing and Impoundment); Public Works Maintenance Workers; Office Worker; Laborer; Public Works Maintenance Super; Equipment Operator 3; Storekeeper; Public Works Supervisor 2; Construction Inspector Supervisor; Equipment Operator 2; Public Works Maintenance Worker; Public Works Supervisor 3; Public Works Supervisor 1; Public Works Supervisor 4; Infrastructure Project Manager Supervisor; Maintenance Yard Chief; Construction Inspector II; Engineering Specialist; Engineer Intern I; Engineering

Technician; Engineer Intern II; Traffic Sign Tech; Traffic Sign Supervisor; Workshop Supervisor; Traffic Signal Technician; Traffic Signal Specialist. All other employees are subject to the requirements set forth in this policy.

- e. Department of Sanitation: All employees except for the following are exempt from this policy: Director; Management Development Analyst II; Management Development Specialist II; Office Support Specialist; Senior Office Support Specialist.
- f. Department of Safety and Permits: All employees except for the following are exempt from this policy: Director; Deputy Director.
- g. Fire Department: All employees except for the following are exempt from this policy: Administrative Support Supervisor IV; Management Development Analyst I; Management Development Specialist I and II.
- h. Juvenile Justice Intervention Center: All employees except for the following are exempt from this policy: JJIC Training Coordinator; Budget Coordinator; Management Development Analyst I.
- i. Law Department: All employees are exempt from this policy.
- j. Mayor's Office: Only the following positions within Department Code 2120 are exempt from this policy: Grounds Patrol Officer; Grounds Patrol Officer, Lead; Police Technical Specialist; Sr. Police Technical Specialist; Police Technical Supervisor; Security Manager; French Market Security Manager; Information Technology Specialist II. All other employees are subject to the requirements set forth in this policy.
- k. New Orleans Emergency Medical Services: All employees except for the following are exempt from this policy: Budget Coordinator; Management Development Analyst I and II; Management Development Specialist I and II; Office Support Specialist; IT Specialist I and II; Laborer.
- l. New Orleans Recreation Department: Only Department Codes 7002, 7003, 7004, 7005, and 7006 are exempt from this policy. All other employees are subject to the requirements set forth in this policy.

- m. **Police Department:** All employees except for the following are exempt from this policy: Office Assistant and Office Worker (all levels); Management Development Specialist I and II; Award Coordinator; Public Relations Analyst; Public Relations Specialist (and senior); Graphic Designer; IT Manager; IT Specialist I-III Management Development Analyst I and II; Management Development Supervisor; Principal Office Support Specialist; Accountant III; Administrative Support Supervisor; Administrative Support Supervisor III; Administrative Support Supervisor IV; Chief Accountant; Office Manager; Office Support Specialist; Personnel Division Chief; Police Accounting Manager; Administrative Assistant; Executive Assistant to the Mayor; Executive Secretary; Police Academy Instructor; Police Academy Administrator; Police Academy Legal Instructor; Police Bureau Chief of Staff.

**Agencies:** Employees of the Clerk of Criminal Court, Coroner's Office, Ethics Review Board, French Market Corporation, Juvenile Court, Municipal and Traffic Court, Municipal Yacht Harbor Management, New Orleans Aviation Board, New Orleans Building Corporation, New Orleans Museum of Art, New Orleans Public Library, Office of the Independent Police Monitor, Office of the Inspector General, and Orleans Parish Communications District are exempt from this policy.

**Funding Source:** Employees whose pay is funded solely by grants, state or federal funding, and/or bonds are exempt from this policy. Employees whose pay is only partially funded by grants, state or federal funding, and/or bonds are not exempt.

**CAO Approved Exemptions:** The Chief Administrative Officer (CAO) has the authority to waive the requirements of this memorandum for certain departments or employees based on service impact, revenue-generation, and other relevant criteria at their discretion.

**Equity Exemptions:** In recognition of the increased financial pressure that furloughs place on the City's lowest paid workers, certain employees will be entirely or partially exempted from this policy if their base salary is below specified thresholds. Lists of employees who are exempt or partially exempt will be disseminated to departments prior to February 15, 2026. Thresholds will be as follows:

| Base Salary         | Exemption from Circular Memorandum*              |
|---------------------|--|
| \$39,733 or less    | Exempt from furlough requirement                 |
| \$39,734 – \$40,405 | Must take 1 furlough days                        |
| \$40,406 – \$41,077 | Must take 4 furlough days                        |
| \$41,078 – \$41,749 | Must take 7 furlough days                        |
| \$41,750 – \$42,421 | Must take 10 furlough days                       |
| \$42,422 – \$43,093 | Must take 13 furlough days                       |
| \$43,094 – \$43,765 | Must take 16 furlough days                       |
| \$43,766 – \$44,434 | Must take 19 furlough days                       |
| \$44,435 or more    | No partial exemption; must take 22 furlough days |

*\*Unclassified salaried employees within the exempt salary levels will receive a pay cut equivalent to the number of required furlough days (for example, 10 furlough days=4.5% pay reduction and 18 furlough days=8.18% pay reduction).*

**IV. NEW WORK SCHEDULES**

Appointing Authorities and their respective supervisors are tasked with the development of operational work schedules that incorporate the mandatory furlough while maintaining services. Work schedules are subject to approval by the employee's respective Appointing Authority. In general, Appointing Authorities should ensure that their staff are taking one furlough or adjustment day per pay period. Deputy Mayors shall stagger furlough day to ensure services are not unnecessarily interrupted.

**V. TIME REPORTING**

Supervisors must ensure that timesheets reflect the unpaid furlough day or pay adjustment day and the accuracy of all system entries and timesheet submissions. Employees will be unable to directly access the furlough or pay adjustment code, which must be entered by their supervisor. Before approving a timecard in ADP/eTime, supervisors should ensure that, for the selected furlough or pay adjustment day, they select the appropriate pay code and record the employee's

standard daily hours as the pay code. No "Hours Worked" should be recorded for that day, except in the case of hourly employees if they have received explicit approval from the Appointing Authority to work supplemental hours beyond their furlough. Appointing Authorities are responsible for ensuring that their supervisors are aware of this guidance and are meeting their obligations as articulated in this memorandum. The below guidance illustrates how furlough or pay adjustment days should be recorded for different work schedules. Employees will be required to take approximately one furlough or pay adjustment day per pay period until they reach their annual allotment of furlough days; appointing authorities may adjust individual work schedules in accordance with their operational work schedules, so long as all employees incur their mandated furlough or pay adjustment day equivalents prior to the end of this fiscal year.

#### **35-Hour Employees - Bi-Weekly**

For thirty-five (35) hour employees who are paid bi-weekly, the appropriate pay code should be used to record seven (7) hours during a bi-weekly pay period. This will signify one (1) furlough or pay adjustment day per pay period.

Pay code "Furlough 2026" should be applied for all classified employees, exempt and non-exempt, and unclassified hourly employees. Pay code "Unclassified Adjustment 2026" should be applied for all unclassified salaried employees.

#### **40-Hour Employees - Bi-Weekly**

For forty (40) hour employees who are paid bi-weekly, the appropriate pay code should be used to record eight (8) hours during the bi-weekly pay period. This will signify one (1) furlough or pay adjustment day per pay period.

Pay code "Furlough 2026" should be applied for all classified employees, exempt and non-exempt, and unclassified hourly employees. Pay code "Unclassified Adjustment 2026" should be applied for all unclassified salaried employees.

#### **35-Hour Employees – Weekly**

For thirty-five (35) hour employees who are paid weekly, the appropriate pay code should be used to record seven (7) hours once every other pay period. This will ensure the equivalent of one (1) furlough or pay adjustment day for each two-week period.

Pay code "Furlough 2026" should be applied for all classified employees, exempt and non-exempt, and unclassified hourly employees. Pay code "Unclassified Adjustment 2026" should be applied for all unclassified salaried employees.

#### **40-Hour Employees – Weekly**

For forty (40) hour employees who are paid weekly, the appropriate pay code should be used to record eight (8) hours once every other pay period. This will ensure the equivalent of one (1) furlough or pay adjustment day for each two-week period.

Pay code "Furlough 2026" should be applied for all classified employees, exempt and non-exempt, and unclassified hourly employees. Pay code "Unclassified Adjustment 2026" should be applied for all unclassified salaried employees.

#### **EAP (Exempt) Employees**

For Unclassified salaried (EAP) employees, the pay code "Hours Worked" should be removed from the pay adjustment day, the pay code "Unclassified Adjustment" should be added, and the standard number of hours for that day should be entered. For Classified salaried (EAP) employees, the pay code "Hours Worked" should be removed from the furlough day, the pay code "Furlough 2026" should be added, and the standard number of hours for that day should be entered.

Pay code "Furlough 2026" should be applied for all classified employees, exempt and non-exempt, and unclassified hourly employees. Pay code "Unclassified Adjustment 2026" should be applied for all unclassified salaried employees.

#### **VI. FACILITIES**

City facilities will not close as a result of the required furloughs announced in this memorandum.

#### **VII. LEAVE USAGE**

Annual and Sick Leave may not be used in substitution of a mandatory furlough day or salary adjustment day.

**VIII. LEAVE ACCRUAL**

Employee leave accruals for both sick and annual leave will remain at the current accrual rate. Leave accrual will continue to accrue per Civil Service rules.

**IX. INQUIRIES**

Questions should be addressed to the appropriate agency:

- a. Administrative Policy: CAO - Personnel and Training (658-8600)
- b. Civil Service Rules: Civil Service (658-3500)
- c. Time Keeping: Finance Payroll Section, please contact your departmental Payroll Specialist (658-1539)