

SDCRAA HUMAN RESOURCES STANDARDS AND PROCEDURES

Section: **Attendance and Leaves of Absence**

Standard: **PAID TIME OFF**

Section #: **B-3**

Effective: June 3, 2008,

Revised: January 19, 2011

See Also: Timekeeping; Observed Holidays; Military Leave; Leave Without Pay; Catastrophic Leave; Work-Related Injury/Illness Leave; Family and Medical Leave

GENERAL STANDARD

The Authority grants paid time off (“PTO”) to full- and part-time employees to provide employees with time to rest and relax away from work, to recover from illness or an accident, or to address other personal needs such as medical appointments or to attend to personal business. In addition, and in accordance with specific guidelines and procedures addressed later in this standard, employees with a sufficient PTO balance may request payout of up to 120 hours of PTO annually.

SPECIFIC STANDARDS

FULL-TIME EMPLOYEES

- ❑ PTO may be used for any planned or unplanned absence, such as vacation, a personal illness, illness of a family member or domestic partner, preventive healthcare appointments, or personal business.
- ❑ PTO accruals are based on years of continuous service. Employees may begin taking accrued PTO after completion of their first pay period following hire. They may not take PTO in excess of what has been earned (accrued) and recorded as of the last day of the last pay period. Beginning on the date of hire, full-time employees accrue PTO at the following rates:

Years of Continuous Service	Hours/Pay Period	Accrual Maximum
0 – 5 th	5.54 hours (*18 days/year)	432 hours (54 days)
6 th – 15 th	7.08 hours (*23 days/year)	552 hours (69 days)
16 th – up	8.62 hours (*28 days/year)	672 hours (84 days)

* Approximately

- ❑ Once an employee has reached the accrual maximum, an automatic 90-day Grace Period will begin. Accrual continues during the Grace Period, except that annual leave earned for holidays must be taken in cash, not accrued. If the employee has not reduced his/her annual leave balance to five days under the accrual maximum after 90 calendar days, an automatic cash payoff resulting in a balance that is five days under the maximum accrual will be made.
- ❑ Each time a non-exempt employee takes PTO, s/he must take PTO in a minimum of one-quarter (1/4) hour increments.
- ❑ Authority-observed holidays occurring during an employee's PTO are not charged against the employee's PTO account unless the employee fails to return to work following such paid time off.
- ❑ Employees accrue PTO while actively at work or on PTO, provided they return to work following their PTO absence. Employees on unpaid leave of absence cease to accrue PTO when their unpaid leave begins.
- ❑ The accrual rate for a reinstated employee returning from military leave is determined by including the period of military leave in the calculation of continuous service time as if the employee had not been absent.
- ❑ Upon formal separation from the Authority, employees are paid for all accrued and unused PTO. Terminating employees accrue PTO only through the last pay period in which they actually worked. Salary is not paid in lieu of PTO except as provided above. Employees shall be paid for PTO at their then current regular straight-time hourly rate of pay or salary prorated for each day of PTO.

- ❑ PTO Payout Benefit: The Authority Employee Paid Time Off (PTO) Payout benefit is designed to allow both full-time and part-time employees who have a sufficient paid time off balance to cash out up to 120 PTO hours during a calendar year in order to generate additional income to address their personal needs. The Authority employee must have a minimum balance of 80 PTO hours remaining after cash out to qualify for the payout benefit.
- ❑ Employees shall report unscheduled absences in accordance with the **Work Hours and Attendance** Standards.

SPECIFIC STANDARDS

PART-TIME EMPLOYEES

- ❑ Part-time employees accrue PTO, each pay period, but on a pro-rated basis, based on the number of hours in their regular work schedule. For example, employees with less than 5 years of service, working a 20-hour per week schedule accrue 2.77 hours of PTO per pay period.
 - Pro-rated PTO accrues at the same regular intervals as outlined in the Standards for full-time employees.
- ❑ The maximum PTO accrual for part-time employees shall be pro-rated based on the number of hours they regularly are scheduled to work in a workweek.
- ❑ The maximum number of days (or hours) of unpaid time off for part-time employees shall be pro-rated based on the number of hours they regularly are scheduled to work in a workweek.
- ❑ When full-time employees move to part-time status, they retain any accrued, unused PTO and then begin to accrue pro-rated PTO based on the number of hours they regularly work in a week.
- ❑ Except as noted, all other provisions of the above Standard for full-time employees apply to part-time employees.

GUIDELINES

1. Paid Time Off

Scheduling & Approval

Full-time employees are encouraged to take at least five consecutive workdays of PTO each calendar year. Additional PTO, up to the total of their PTO balance, generally may be taken in daily or weekly increments, with scheduling subject to the manager's approval.

Managers should develop department-wide schedules for planned PTO at the beginning of each calendar year. When employee PTO requests conflict and business needs cannot accommodate all concerned, seniority is one factor that may be considered in determining planned PTO schedules. The Authority retains, however, full discretion to schedule and approve planned PTO to meet its business needs.

PTO is scheduled with the manager's approval, consistent with department and Authority needs. Managers are responsible for allowing employees to take enough accrued PTO to ensure continued eligibility for accrual. If, for extreme business reasons, a manager cannot allow a full-time employee's PTO request, and such condition prevents the employee from accruing additional PTO, approval for an exception to the policy must be obtained from the applicable Vice President and the Director, Human Resources (or designee). Approval is contingent upon the manager's commitment to a PTO plan that would bring the employee's accrued PTO level sufficiently below the maximum accrual within a reasonable period.

In the event of an Authority employee's grave illness or serious personal emergency, the employee's manager and relevant Vice President may request the Director, Human Resources (or designee) to invite the voluntary donation of PTO by other Authority employees.

The use of paid or unpaid time off generally is not cause for corrective action except as provided for in the ***Work Hours and Attendance*** Standards.

PROCEDURES

Time records shall accurately reflect employee time off. "PTO" shall be recorded on the employee's time record. Exempt employees do not record paid or unpaid time off on their time records for absences of less than a full day.

All requests for PTO must be submitted in writing on prescribed forms and must be approved by the employee's supervisor or manager in accordance with each Department's procedures.

Employees expected to be absent more than three (3) days due to a personal illness or injury, should contact a Human Resources Department representative to discuss whether a medical release to return to work is needed and whether or not the absence constitutes a medical leave governed by state or federal regulation. A Human Resources Department representative will inform the employee and the manager as soon as possible if a medical release to return to work is required.

At the Authority's discretion, proof of illness or injury may be required for absences due to illness or injury, regardless of the number of days. Any unusual use of PTO for illness or injury deemed "out of the ordinary", atypical, irregular, or excessive may cause the Authority to require the affected employee to produce written proof of the illness or injury. Written proof may include, but not be limited to, a statement from the employee's healthcare provider showing the duration of the illness or injury and certification that the employee is unable to perform essential job functions.

For illness or injury of a family member or domestic partner, written proof may be requested, including, but not limited to, a statement from a healthcare provider showing the duration of illness or injury and that the employee's presence is needed to provide care. The employee may be required to provide written proof for every absence until otherwise instructed by Director, Human Resources (or designee).

All employees returning to work following a non-work related injury or illness affecting their ability to perform essential job functions in a safe and efficient manner must contact a Human Resources representative prior to returning to work. A Human Resources representative will review the employee's medical release; and if needed, have the Authority's designated physician review the employee's condition to confirm that the employee is able to perform the essential job functions safely and efficiently and determine whether modified/light duty is appropriate.

PTO balances are reflected in the employee self-service section of E1.

NOTE: PTO and “Other Leave” are not to be confused. “Other Leave” is “use or lose” leave and any “Other Leave” not used at the time of departure is not paid.

2. PTO Payout Benefit

GUIDELINES

- An employee may request pay out of up to 120 hours during the calendar year.
- A minimum of 20 hours are required for each PTO Payout request.
- The employee’s PTO balance may not be reduced below 80 hours as a result of any PTO Payout.
- PTO Payout will be calculated at the employee’s base rate of pay at the time of the request.
- Other leave balance is separate from PTO and may not be factored into the calculation of available PTO hours.

PROCEDURES

- PTO Payout Request Form, which is located on the intranet under Document/Forms/Accounting, must be received by the Authority Payroll Technician by the last day of each pay period, (the second Thursday before the check date).
- The PTO Payout check will be issued bi-weekly on the same Friday as regular payroll checks. It will be paid in the same manner as the employee’s regular paycheck, i.e. direct deposit or paper check, unless requested otherwise.
- PTO Payout is processed as a payroll check and is subject to federal and state tax withholdings. It may also be subject to active tax levies or garnishments. It is, however, not subject to employee deductions for medical, dental, vision and other voluntary benefits. Further, it is not a pensionable wage type and is not subject to SDCERS deductions.