



Agenda Item No. 1

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole
Meeting of June 13, 2008

From: Harvey Pye, Director of Human Resources
Celia G. Kupersmith, General Manager

Subject: **APPROVE REVISIONS TO THE HUMAN RESOURCES GUIDE
RELATIVE TO DISTRICT-DIRECTED RESTRICTIONS ON USE OF
ACCRUED VACATION**

Recommendation

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors approve an amendment to the District's Vacation Policy in the *Human Resources Guide* to allow the General Manager, at his/her discretion, to approve the sell back of 80 hours of vacation time when an employee has reached the maximum accrual cap for vacation hours but has not been allowed to use vacation time due to specific, unusual operational needs of the District. This policy amendment would replace the policy language that currently allows for additional vacation accrual in such circumstances.

Background

In 1987, the District adopted a policy which established a vacation accrual cap for employees equivalent to 30 days of accrual at any time during the year. The cap was increased to 40 days of accrual as part of the Union Coalition bargaining process and through an amendment to the *Human Resources Guide* in 2004.

Employees are notified on their pay stub that they are approaching the vacation cap. In the event the employee reaches the cap, all future accruals are forfeited until the employee's accrual balance falls below the cap. Under current policy, the General Manager may authorize additional accrual if there is a bona fide business reason that the employee has been not allowed to take vacation and thus has hit the cap. In such circumstances, the employee must have a pre-determined plan to use their vacation and reduce the accrual.

This policy execution has been used in situations where a particular work unit is critically understaffed due to employee(s) absence and when a work unit has unusually heavy work for things such as increased security services. Under the proposed policy change, the General Manager would be authorized by the Board to pay an employee for 80 hours of accrued vacation instead of lifting the accrual cap

It should be noted that this policy change would apply only to non-represented employees since the represented bargaining units have specific language in their Memoranda of Understanding regarding vacation accruals. However, during the last bargaining cycle, one unit, the Customer Service Representatives in the Teamsters 856 union, negotiated a provision that the District would examine a pilot program for vacation accrual pay. Staff has met with this unit to discuss what is being proposed for non-represented employees, and they have indicated they would like to try the same on a pilot basis. Other bargaining units would also be advised of this change in District policy to see if they would like this same policy to be implemented prior to the next bargaining cycle. Any provision other than what is proposed here would have to be part of bargaining in the 2009 cycle.

Fiscal Impact

Implementation of this policy change would allow the District to pay out time under these unusual circumstances at the current salary rates and reduce the District's liability for accrued vacation.