

## **G. SICK LEAVE**

The City favors helping protect the income of its employees when they are away from work for reasons not of their own making. The Sick Leave policy is intended to provide a level of income protection for employees when they are unable to report to work due to illness or injury. The level of income protection is determined by the length of their employment with the City.

**Policy:** The City provides employees with a level of income protection through paid sick leave to address their own personal health care needs or the health care needs of an immediate family member. Eligible employees will accrue paid sick leave over time, at the rate and up to the stated maximum based on the normal work schedule for their position.

**Income Protection:** The City views paid sick leave as a sort of insurance providing income protection to employees while they are away from work due to illness or injury. Even if an employee never uses a day of sick leave, the City believes this income protection provides peace of mind to all employees that they are protected in case of unforeseen circumstances. Paid sick leave may not be used for any other purpose and may not to be used as additional paid time off. The City considers it an abuse of this policy to use sick leave in order to extend holiday, vacation or other time off, or to pursue personal interests including, but not limited to, recreational activities or outside employment.

**Accruing Income Protection:** Eligible employees will accrue paid sick leave over time, up to the stated maximum based on their normal work schedule. The objective is to allow employees to accrue enough paid sick leave so that if they encounter any type of serious illness or injury, they will not have their regular income severely impacted.

1. Full-time employees will accrue Sick Leave at the rate of one (1) day per month up to a maximum of 135 days.
2. Sick leave balances and maximum accruals will be tracked in hours with employees receiving their regularly scheduled number of hours for each day. For example, employees who regularly work eight (8) hours per day will have a maximum accrual of 1080 hours (135 days x 8 hours/day) while employees who regularly work six (6) hours per day will have a maximum accrual of 810 hours (135 days x 6 hours/day).

**Use of Sick Leave:** Sick leave is provided for employees to address their own personal health care needs or the health care needs of an immediate family member. For purposes of the sick leave policy, “Immediate Family” is limited to a family member who shares a common residency with the employee or is otherwise classified as a tax dependent of the employee. State and Federal Family and Medical Leave laws may provide broader coverage for use of leave to care for a family member suffering from a serious health condition. Please consult the Family Medical Leave policy in this Handbook or the City Human Resources Department for more guidance on the use of sick leave under FMLA laws. Sick leave may only be used with approval when an employee is too sick

or injured to perform the employee's job responsibilities, when the employee must seek medical attention that cannot be sought outside the work day or for the purpose of visiting doctors, dentists or other recognized medical practitioners when those appointments and procedures cannot be scheduled outside the work day, or when the employee's attendance is necessary for an immediate family member who has a serious illness or injury, or when required by law.

**Notification of Intent to Use:** Employees who will be missing work due to illness or injury must notify their immediate supervisor as soon as reasonably practical but no later than fifteen (15) minutes prior to the start of their scheduled work day. Employees should consult their immediate supervisor to learn the proper procedure for notifying the City of the need to use sick leave.

**Verification:** The City may require verification of illness or of the estimated time needed away from work due to an illness or injury.

**Incremental Use:** Sick leave may be used in increments of no less than 15 minutes.

**FMLA:** Under State law, employees may substitute accrued paid leave time or choose to take unpaid leave in situations where the law applies.

**Misuse of Sick Leave:** The City treats the misuse of sick leave seriously because misuse subjects the employer to additional costs that harm the financial viability of the employer, misuse is disruptive to coworkers and the services we provide to the public, and because misuse of sick leave undermines the credibility of the employee and the confidence the public and coworkers must have in that employee. For these reasons, the City treats sick leave abuse as fraud, theft and dishonest behavior warranting disciplinary action up to and including termination.

**Catastrophic Leave:** The City recognizes that employees may have a catastrophic need due to a medical condition, illness or injury that incapacitates or is expected to incapacitate an employee or an employee's immediate family member to require additional unpaid time off from work for an extended period of time in excess of their available sick/vacation/floating holiday accruals. To address this need, all benefit-eligible employees will be allowed to donate earned paid leave (sick/vacation/floating holiday) time from their unused balance to their co-workers in accordance with the policy outlined below. This policy is strictly voluntary.

**Eligibility:** Employees must be continuously employed with the City for a minimum of 11 months to be eligible to donate and/or receive donated paid leave time.

**Guidelines:** Employees who would like to make a request to receive donated paid leave time from their co-workers must have a catastrophic need, as defined below.

**Catastrophic Need** is defined as a significant financial hardship due to the exhaustion of all paid leave available that is due to an illness, medical condition or injury that incapacitates or is expected to incapacitate employee or an employee's immediate family member requiring the prolonged/extended absence of the employee from duty including intermittent absences related

to the same catastrophic condition. Medical documentation will be required. This definition is intended to meet the criteria of IRS Ruling 90-29.

**Immediate family** is defined as spouse, domestic partner, or child (including stepchild or foster child). Also, if qualified under FMLA; parent (including stepparent), sister, brother, grandparent, mother or father-in-law, sister or brother-in-law, or other relative of employee who resides in the same household as the employee.

**Donation of Sick/Vacation/Floating Holiday Time:** The donation of paid leave time is strictly voluntary. The City will keep the names of donor employees and recipient employees anonymous, except for employees involved in the administration of this program or where the participating recipient or donor employee wishes to be known and waives their anonymity.

An employee may donate paid leave time to a bank for use by eligible recipients.

Recipient identity will not be disclosed to donating employees, unless the recipient employee has waived their anonymity.

The donation of accrued paid leave is on an hourly basis.

**Leave Credit Usage by Recipients:** Donated leave credits will be processed only after a catastrophic leave has been approved and notice provided to payroll and human resources.

1. There is no limit to the number of donated leave credits a recipient may receive, subject to (a) – (f) below.
  - a. A recipient may only use donated leave consistent with the recipient's regularly scheduled hours per pay period at the time the unpaid leave began.
    - a. Regularly scheduled hours do not include overtime hours or hours worked in excess of the employee's regular scheduled hours of work.
  - b. Donated leave credits may be used by the recipient retroactively. For a recipient who subsequently leaves the position and is no longer an eligible employee or who terminates employment, donated leave credits may only be used up to the date of ineligibility or termination.
  - c. If a legal holiday falls in a pay period in which a recipient is using paid leave credits, the employee is eligible to receive legal holiday pay provided the employee is otherwise eligible for legal holiday pay.
2. Leave credits donated to recipients are not subject to the carryover provisions and limitations regarding vacation, vacation carryover, and floating holiday. The leave credits must be donated prior to the leave expiration date.
  - a. Example: Vacation and floating holiday hours expire at the end of each calendar year for general employees. An employee can donate unused floating holiday or vacation hours on December 30 of a year and the recipient may use these hours on or after January 1. These hours do not expire provided they are donated before they are lost.

- b. Donated leave credits will not be reflected on the recipient's official leave accounting balance until the pay period in which the credits are actually used by the recipient.
- c. The donated leave credits will be paid to the recipient at the recipient's wage rate during the pay period in which the credits are used.
- d. Donor employees cannot borrow against future paid leave time to donate.
- e. Employees who are currently on an approved leave of absence cannot donate paid leave time.
- f. Donor employees may not claim an expense, a tax deduction, or a charitable contribution for any of the leave donated under this policy.
- g. Donor employees may donate paid leave at any time.
- h. At termination (which includes retirement), sick leave is forfeited; there is no right to be paid for unused sick leave; thus, all employees may donate their unused sick hours (up to 40 hours) to the paid leave bank when terminating, if available at time of termination.

**Requesting Donated Paid Leave Time:** Employees who would like to request to use donated paid leave time are required to complete a "Leave: Donation Request" form and submit it to Human Resources. This requires a certification from the employee's or immediate family member's health care provider. "Health care provider" for this form is as that term is defined by FMLA regulation 29 CFR Section 825.125. The request form requires the requesting employee to demonstrate that he or she is on approved leave and specify the amount of donated time requested.

Requests for donations of paid leave time must be approved by the HR Manager and the HR Director.

If the recipient employee has available accrued paid leave, this time must be used prior to using any donated paid leave time. Donated paid leave time may only be used for time off related to the approved request. The employee may request a donation in anticipation of exhausting all other paid time off.

Should the recipient employee return to work prior to the leave payout being utilized, the remaining leave amount will be credited back to the donated paid leave bank.

Approval for FMLA does not guarantee approval for donated paid leave time, nor does approval for receipt of donated paid leave time guarantee that FMLA will be granted. However, if FMLA has been granted, the donated paid leave time will be counted towards FMLA hours used. Donated paid leave time cannot be used to extend FMLA benefits if total FMLA hours have been exhausted by the recipient. Recipient employees are not eligible to accrue vacation, sick leave or any other accrued paid leave benefits while using donated paid leave.

**Eligibility to Receive:** Employees receiving workers' compensation or long-term disability are not eligible to use the paid leave bank. Withdrawals from the donated paid leave bank may be used in increments of no less than 1 hour.

**Health Insurance:** Recipient employees will continue to have the employee share portion of benefit premiums and contributions deducted from their paycheck when the only source of income is through the paid leave bank.

**Taxable Rate of Pay:** Recipient employees will receive the donated leave at their normal rate of pay. All paid donated leave is considered wages to recipient employee and is subject to appropriate tax and other required withholding.

**Criteria and Rules Governing the Paid Leave Bank:** Requests for donated paid leave will be reduced or denied if there are not sufficient hours available in the bank to grant the request. Requests will be granted on a first come, first served basis. Donor employees may designate the recipient employee to whom their donated hours are to be awarded, if they wish. Donor and Recipient employees will be kept confidential unless the employee has waived their anonymity.

Donated paid leave will be awarded without regard to race, religion, color, sex, marital status, national origin, ancestry, disability, political affiliation, age or sexual orientation.

Donations to the paid leave bank are irrevocable, meaning once the time is donated to the bank, it will not be returned to the Donor employee.

The Human Resources Department is responsible for the administration of the paid leave bank. If you have any questions regarding the bank, please contact Human Resources.

This program may be amended from time to time without prior notice by the City Manager and the Human Resources Director.

**Disclaimer for Employees Covered under a Collective Bargaining Agreement (CBA):** The employment terms set out in the policy work in conjunction with, and do not replace, amend or supplement any terms or conditions of employment stated in any CBA that a union has with the City. Employees should consult the terms of their collective bargaining agreement. Wherever employment terms in this policy differ from the terms expressed in the applicable collective bargaining agreement with the City, employees should refer to the specific terms of the CBA, which will control.