



## Paid Time Off

(HC20)

### POLICY STATEMENT

In order to meet its operational needs, the New Orleans Regional Transit Authority (RTA) will implement a Paid Time Off (PTO).

### PURPOSE

Accrued leave (PTO and sick) under the PTO policy may carry over from year-to-year, subject to the limitations set forth below. For the purposes of this section, employee hire dates shall be considered as the date on which an employee was hired in service to the RTA or the date the employee was directly hired by the RTA, whichever is earlier.

### APPLICATION

If a conflict occurs between this policy and a Collective Bargaining Agreement (CBA), the CBA will prevail.

### ADOPTED BY:

The RTA Board of Commissioners on 02/23/2021, Resolution 21-007  
Amended: The RTA Board of Commissioners on XX/XX/XXXX, Resolution XX-XXX

### APPROVED BY:

A handwritten signature in blue ink, appearing to read "Alex Z. Wiggins", is written over a horizontal line.

Alex Z. Wiggins  
Chief Executive Officer

Effective Date: 2/23/2021  
Date of Last Review: 2/23/2021  
Amended: Date of Last Review: X/XX/XXXX



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## **1.0 GUIDELINES**

- Each full time and part-time employee will accrue PTO each pay period which is bi-weekly, in hourly increments based on their length of service as defined below. PTO is added to the employee's PTO bank per pay period. PTO taken will be subtracted from the employee's accrued time bank in one hour increments.
- Temporary employees, and interns are not eligible to accrue PTO.
- Eligibility to accrue PTO is contingent on the employee either working or utilizing accrued PTO/Sick Leave for the entire pay period. PTO is not earned in pay periods during which unpaid leave, short or long term disability leave, or workers' compensation leave are taken.
- Employees may use time from their PTO bank in hourly increments. Time that is not covered by the PTO policy, and for which separate guidelines and policies exist, include agency paid holidays, bereavement time off, required jury duty, and military service leave.
- To take PTO requires five business days of notice to the supervisor unless the PTO is used for legitimate, unexpected illness, or emergencies. In all instances, PTO must be approved by the employee's supervisor in advance.

Absence due to emergency sick leave must be communicated to the supervisor 2 hours prior to the scheduled start of the employee's shift. This policy applies to all RTA employees. If a conflict occurs between this policy and a collective bargaining agreement (CBA), the CBA will prevail. (Extenuating circumstance will be taken into consideration.)

## **2.0 PTO Accrual**

Vacation for all employees except for executives (CEO, Deputy CEO and Chiefs) is accrued based on length of service, from a minimum of 20 days to a maximum of 35 days per year for full-time employees, pro-rated for part-time employees. For purposes of calculating the vacation accrual rate, there is only one initial hire date. Employees returning to the RTA employment shall have their accrual rate restored to the level attained prior to separation.

From the time that the employee reaches the sixth (6<sup>th</sup>) month of continuous employment or 1040 hours of work, whichever is earlier, on regular pay status to be eligible to use vacation. Once served, the eligibility waiting period need not be repeated by employees returning to RTA service, leave shall accrue as set forth below;

**Accruals Chart**  
(Excludes Executives CEO, Deputy CEO and Chiefs)

Years of Service	Bi-weekly Accrual (approximate)	Annual Accrual	Maximum Allowable Accrual (3 x Annual Rate)
0 – 5 years	6.15	20 days/year 160 hours	60 days / 480 hours
6 – 10 years	7.69	25 days/year	75 days / 600 hours
11 – 15 years	9.23	30 days/year	90 days / 720 hours
16 + years	10.77	35 days/year	105 days / 840 hours

**2.1 Vacation for Executives (CEO, Deputy CEO, Chiefs)**

- a. Executives shall receive 25 front loaded working days of vacation per calendar year, pro-rated per their date of appointment.
- b. If an Executive accepts a position that accrues vacation pursuant to a non-executive position, that employee may retain any of their current unused vacation balance for use and their vacation accrual shall be adjusted according to the non-executive accrual rate based on years of service.
- c. Unused vacation days cannot be cashed out except when the Executive separates from the RTA service.
- d. In the event an employee who accrues vacation pursuant to a non-executive accepts an Executive position, their unused vacation balance shall remain and the vacation accrual shall be adjusted to the Executive vacation accrual to include the 25 front loaded working days of vacation per calendar year, pro-rated per their date of appointment.

No PTO will be added to an employee’s PTO balance once the hour cap is reached. Any PTO inadvertently added after the hour cap is reached will be subtracted from the balance and considered part of the employee’s Sick Leave Bank and is not payable to the employee upon separation. After an employee’s PTO balance reaches the cap, the employee will cease to accrue PTO until the balance is reduced below the hour cap. Employees are responsible for monitoring and taking their PTO over the course of a year.

*(PTO approval is subject to supervisory approval and not every employee can take accumulated time in December; the agency must continue regular business operations.)*

Employees are paid for the PTO they have accrued, up to their cap hours, upon termination or resignation of employment.



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## **2.2 Sick Leave Bank**

At such time as an employee reaches the annual maximum PTO balance in any given year, that employee will be credited Sick Leave at the same rates as outlined above. When and if the employee reduces his/her PTO balance below the annual cap then PTO will accrue and sick leave crediting will cease until the cap is again reached. Employees who have an individual sick leave bank are eligible to request paid leave from their own sick leave bank when their PTO has been exhausted. Sick leave is a gratuitous benefit provided at the discretion of RTA and only in the event of serious illness as outlined herein. Sick leave is not accrued as PTO and is not payable to the employee upon separation.

The Sick Leave bank can only be used for serious medical hardships or catastrophic illnesses or injury including conditions, which immediately and severely impact the health of the employee and/or the employee's immediate family and require absence from work. These conditions must also meet the definitions of a Serious Health Condition under the Family Medical Leave Act (FMLA).

"Serious illness" generally does not include cosmetic treatments, minor conditions such as the common cold, earaches, headaches, the flu, routine doctor's appointments, or treatment with over-the-counter medications.

## **3.0 Approval of Individual Sick Leave**

Employees may apply for up to 120 hours/15 days of Sick Leave time per 12-month period. If an employee needs more time, allocation of additional days/hours from the Individual Sick Leave bank will be determined by the Chief Human Resources Officer, or designee on a case by case basis.

1. Requests for use of the individual sick leave bank and the anticipated time period of absence must be reported on the Request for Individual Sick Leave Form provided by the Human Capital Department. To the extent permitted by Federal and State laws, employees will be required to submit medical certification from a treating physician or other licensed health care provider.
2. Requests for Individual Sick Leave bank will be evaluated on these criteria:
  - A. Appropriateness of the leave as a crisis;
  - B. Availability of leave within the individual sick leave bank;
  - C. Completion of at least one year of full-time employment; and
  - D. Lack of accrued PTO for the individual employee. All accrued PTO must first



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be exhausted before a request for sick leave will be granted.

3. Sick Leave requests require the consent of the requesting employee's immediate supervisor and must be approved by the appropriate Department Director.
4. Request forms are then forwarded to the Chief Human Resources Officer, who shall approve or deny the request.

An employee's individual sick leave bank is strictly for the usage of that employee. Employees may donate leave time to other employees, subject to the regulations set forth below.

#### **4.0 Cashout of PTO Hours**

**Employees may request to cash out PTO hours once in any 12-month period. Procedures for cashing out PTO hours are determined by RTA's executive management. PTO hours and frozen vacation hours can be cashed out subject to the following limitations:**

- **An employee must use 40 hours of scheduled PTO hours or frozen vacation hours during the 24-month period prior to requesting a PTO cashout. This is in addition to the holiday hours.**
- **An employee may cash out his/her PTO balance in excess of 160 hours.**
- **If an employee requests that his/her PTO be paid in cash, all applicable taxes will be withheld.**
- **An employee in an interim appointment will be cashed out at their regular, not interim rate of pay.**
- **An employee may choose to deposit the PTO cashout into RTAs 457b Deferred Compensation Plan. This will defer taxation of the payoff. The minimum deposit is \$250 and the annual contribution limitations of the Deferred Compensation Plan shall apply.**

**Requests for exceptions to the above limitations due to a unique hardship situation, subject to submission of proper documents, must be approved by the Chief Human Resources Officer or designee prior to submitting a completed Request for Cashout & Distribution of Frozen Vacation and/or PTO Hours form (Attachment 1) to Payroll. Employees requesting an exception to the requirements must also submit a Request for Cashout & Distribution of Frozen Vacation and/or PTO Hours Exception Request form (Attachment 2), in addition to Attachment 1.**

#### **5.0 PTO or Sick Leave Donation**



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Subject to the approval of the Chief Human Resources Officer, employees may donate PTO or sick leave to another employee, subject to the following conditions:

1. The recipient must have been employed with the RTA for a period of not less than six (6) months.
2. Donated PTO shall be converted to sick leave and added to the recipient's sick leave bank, except as may otherwise be provided in this manual or by policy set forth by the Chief Human Resources Officer.
3. Donation of leave will not be approved unless the recipient has a balance of less than 40-hours in their sick leave bank.
4. The donator relinquishes all future claims to the donated leave regardless of the medical condition of either the donor or the recipient.
5. The donation must be strictly voluntary, without coercion, implied or otherwise, and must be certified as such in writing by the donor in advance of the actual transfer of PTO or sick leave from the donor to the recipient.
6. The receiving employee shall not receive more than 480 hours of donated sick leave for any single qualifying incident based upon the dollar value of such leave which shall be converted from the donor to the recipient.
7. Conditions for donating sick leave to an eligible recipient.
  - a. An employee may request to donate sick leave hours to an approved recipient employee provided the donation will not cause the donating employee's PTO and or sick leave balance to fall below 240 hours.
  - b. A donating employee may not donate fewer than eight hours of sick leave converted at the donating employee's straight-time primary rate of pay.
  - c. Employees who are separating from the RTA service may not donate more sick leave than they would be able to use themselves between the date of the donation and their last day of work and must retain a post-donation minimum balance of 240 hours.
8. Restoration of transferred Sick Leave.
  - a. Any transferred sick leave remaining to the credit of a recipient employee when that individual's personal emergency terminates shall be restored, to the extent administratively feasible, by transfer to the PTO and or sick leave accounts of the donors who are still active RTA employees on the date the personal emergency terminates. The recipient employee shall be permitted to retain up to 40 hours of sick leave which may include donated



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hours.

- b. If the total number of donating employees eligible to receive restored sick leave exceeds the total number of hours of sick leave to be restored, no restoration of donated sick leave shall occur. All remaining sick leave hours shall be retained by the recipient employee instead. In no case shall the amount of sick leave restored to a donating employee exceed the amount such employee donated.

Following approval of the Chief Human Resources Officer, Human Resources shall submit the approved leave donation forms to the Chief Financial Officer for adjustment of leave balances of the donating and receiving employee.

## **6.0 FLOWCHART**

N/A

## **7.0 REFERENCES**

N/A

## **8.0 ATTACHMENTS**

1. Request for Cashout and Distribution of Sick Bank and/or PTO Hours form
2. Request for Cashout and Distribution of Sick Bank and/or PTO Hours Exception Request form

## **9.0 PROCEDURE HISTORY**

12/15/2020 Interim Board approval granted  
12/11/2020 Interim Executive Committee approval granted  
2/4/2021 Final Executive Committee approval granted  
2/23/2021 Final Board approval granted

## **10.0 SPONSOR DEPARTMENT**

Human Capital