



## Administrative Regulation 03-08.06 Paid Time Off (PTO)

### A) Policy

- 1) The City is committed to providing employees with sufficient paid time off for rest and relaxation, and to address personal and family medical needs.
- 2) The City wishes to provide maximum flexibility as to how employees may use accrued time off and therefore believes that a program that consolidates vacation, sick, floating holiday and bereavement leave time in one bank (Paid Time Off or PTO) is in both the City's and employees' best interests.

### B) Scope

- 1) This policy applies generally to all regular, benefited City of Springfield employees. Seasonal, temporary and contracted employees are not eligible.
- 2) Where any section, subsection, sentence, clause, or phrase of the procedures is found inconsistent with properly negotiated and ratified working agreements concluded through collective bargaining between the City and duly certified or recognized representatives, the terms of such agreements shall prevail. Departments wishing an exception to the application of these procedures shall submit a written proposal to the City Manager, supporting the justification. Exceptions will take effect upon written approval of the City Manager.

### C) Definitions

- 1) Catastrophic Leave Bank (CLB): Additional leave bank established during conversion from the Traditional System to the Paid Time Off system. Has limited uses and cannot be paid out or converted to other leave types.
- 2) Extreme Emergency: Situations beyond employee's control requiring him or her to take leave time such as, but not limited to: officially declared emergencies, natural disasters, serious accidents resulting in major material loss (e.g., tree falls on house or vehicle), fire.
- 3) Floating Holiday: One floating day of paid leave to be taken between the first full pay period following July 1 and the pay period end that includes June 30.
- 4) Observed Holiday: Recognized Federal and State holidays.
- 5) Paid Time Off (PTO) System: Accrued time that employee may use for personal leave, vacation leave, non-occupational injury or illness leave, bereavement leave or floating holiday leave. Employees who receive PTO are not eligible for separate leave banks for the above mentioned uses.

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- 6) Traditional System: Employees accrue separate banks of leave time for vacation, sick leave and floating holiday.

D) Procedures

- 1) Neither the Traditional System nor the Paid Time Off system includes State and Federal Holidays.
- 2) Paid Time Off (PTO)
  - a) All employees hired after October 1, 2016 will be placed on the PTO system.
  - b) Use of PTO in first 30 days of employment is restricted to illness, injury or catastrophic events. Documentation may be required. Unpaid leave may be granted with department director approval only in the above circumstances.
  - c) Leave Without Pay in Lieu of PTO: Employees with accrued PTO balances may not opt to take leave without pay in lieu of PTO for purposes of saving accrued PTO time. Employees with insufficient PTO balances to cover requested periods of time off may be granted excused leave without pay solely at the discretion of the department director after advisement from Human Resources.
  - d) Accrual Rates for PTO were developed using the following calculation:
    - (i) The full value of vacation plus
    - (ii) one floating holiday (eight hours) plus
    - (iii) an average historical usage value for bereavement leave plus
    - (iv) 50% of the annual accrual rate for sick leave (48 hours).
  - e) Accrual Rates for PTO are attached as an appendix to this Administrative Regulation
  - f) PTO will not accrue on unpaid earn codes.
  - g) PTO may not be used in less than 15 minutes increments (.25 hrs. on time card).
  - h) Paid Time Off hours will be paid at the current rate of the employee at the time the PTO is taken.
  - i) Minimum Annual Time Off Requirements:
    - (i) Employees are required to take a minimum of 2 weeks of time off during each of their first five years and a minimum of 3 weeks thereafter. Time off need not be consecutive or pre-scheduled to qualify.
    - (ii) While a minimum amount of paid time off should be taken annually by each employee, the timing and duration of successive days of paid time off is subject to satisfactory arrangements having been made for work to be continued in the employee's absence.

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- (iii) Exceptions may be granted by the Department Director with advisement from Human Resources.
  - j) Maximum Annual Time Off Restrictions:
    - (i) A request for more than 3 consecutive weeks off must be approved by Department Director
    - (ii) Pre-retirement extended leave requests intended to draw down banks must be approved by Department Director with business continuity needs as top priority.
  - k) To ensure service continuity, requests for time off should be submitted at a minimum of the amount of time being requested (i.e. if asking for 3 weeks off, the request should be made 3 weeks in advance).
  - l) Supervisors are responsible for monitoring PTO requests in a manner that balances the operational and service delivery needs of the department (work unit) with the time off preferences of employees. The City reserves the right to deny PTO requests which may have an adverse effect on its operations or to cancel previously approved PTO requests if unexpected circumstances arise which require an employee's attendance at work.
  - m) Time off not scheduled in advance is considered short-notice.
    - (i) If a pattern of abuse is noted, employee may be subject to discipline.
    - (ii) Employees shall notify their supervisor of an unexpected need to be absent at least thirty minutes prior to the start of their work day or shift. Employees should follow the notification procedures for their respective departments.
  - n) Maximum PTO bank balance is limited to two times (2X) the employee's annual accrual rate.
  - o) PTO bank balance payout at separation of employment other than for retirement is limited to one year accrual rate;
  - p) PTO bank balance payout or deposit into HRA VEBA account at retirement is equal up to the full PTO balance.
- 3) Conversion from Traditional System to PTO at implementation
- a) Employees wishing to convert to PTO can move up to 75% of the maximum allowable bank on the PTO schedule for their years of service to the PTO bank, or just their vacation leave. In either case, the remaining leave will go into a Catastrophic Leave Bank (CLB).
  - b) Employees must convert a minimum of 24 hours to their PTO bank in order to cover unexpected sick leave not protected under FMLA-OFLA type event.
  - c) Employees who convert may have an additional 80 hours deposited in their CLB, OR move 40 hours above the 75% threshold from their sick leave bank to their PTO bank. Maximum annual totals will still apply.

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- d) Vacation accrual levels on the traditional system will be capped at 25 years of service (299 months of service). Those employees with more than 25 years of service who remain on the traditional system will cease to accrue additional hours above their current rate.
- e) Catastrophic Leave Bank (CLB) Guidelines:
  - (i) CLB can be used for conditions meeting Family Medical Leave Act or Oregon Family Leave Act guidelines, or other extreme emergency events;
  - (ii) Hours can be donated to other employee's CLB for qualifying requests;
  - (iii) CLB cannot be used for bereavement leave unless it meets the OFLA standard;
  - (iv) CLB can only be used, not cashed out;
  - (v) CLB does not accrue;
  - (vi) Extreme Emergency use of CLB is determined by the Human Resources Director or designee in consultation with the department director.

E) Resources

F) History

- 1) This Administrative Regulation replaces, modifies, or updates Personnel Policy and Procedure Manual – “Rule 9 – Attendance, Holidays, Vacation, Sick Leave, Leave of Absence, Administrative Policies”
- 2) In the future, “Edition” in the footer will serve as notice as to what revision of the Regulation is active.

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This administrative regulation is in effect as of the date of my signature. I authorize the Human Resource Director to modify the history and resources sections and header, footer, and numbering without my reauthorization. The administrative regulation remains in effect should these revisions occur.

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City Manager's Signature

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Effective Date