

FREQUENTLY ASKED QUESTIONS: 2022 PAID VACATION LEAVE POLICY UPDATES

PAID VACATION LEAVE

The intention of the vacation leave policy is to encourage employees to take time away from work for relaxation, restoration and personal wellbeing. Legacy employees referenced in this document are current employees and those hired before 1/1/22.

- 1. When is the effective date of the new vacation leave policy?** The new vacation leave policy goes into effect on January 1, 2022. The new policy enforces 240 hours max vacation accrual and clarifies future payouts at separation as well as other special provisions for Legacy employees.
- 2. What is the purpose of an accelerated vacation schedule?** It is important to note that our highest rates of turnover happen within three years of employment and that the average tenure is 7 years. The accelerated vacation leave schedule was intentionally designed to help with recruitment and retention.
- 3. When the new vacation schedule goes into effect, will it apply to just new employees?** No. The new accelerated vacation schedule will apply to both new hires and Legacy employees according to the service milestones. *A Legacy employee is defined as any employee hired prior to January 1, 2022.*
- 4. Why is the maximum vacation leave accrual capped at 240?** We want to encourage employees to use their vacation for its intended purpose in order to promote a healthy work-life balance and to ensure everyone is treated fairly and consistently.
- 5. Is the 240 hour maximum vacation leave a new policy change?** No. It is in GoTriangle's current policy guidelines, however not strictly enforced. We are reinforcing compliance of the 240 hours maximum.
- 6. How will enforcing the 240 hours maximum vacation leave accrual impact employees?** The 240 maximum will apply to Legacy employees with vacation balances below 240 as of 12/31/2021 and to any hires January 1, 2022 or later.
- 7. Is there a separate vacation leave maximum for Legacy employees with balances over 240?** Yes. For Legacy employees with balances over 240 hours as of 12/31/2021, the 240 hours maximum will not apply. We recognize that historically employees have not been required to address excess rollover balances, and they may be adversely impacted with sudden strict enforcement.
- 8. What can you tell me about the new "sell-back" policy?** Vacation sell-back is new for GoTriangle. Employees will be allowed to sell back up 40 hours of accrued vacation each year. The designated sell back periods are June and December.
- 9. Will there be changes to the advanced/upfront vacation practice starting January 1, 2022?** No. The process of advancing upfront vacation will not change with the 2022 policy updates. Eligible employees will continue to be advanced a full year of vacation leave January 1st of each year, subject to biweekly accruals during the calendar year.

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- 10. How much vacation am I allowed to roll over?** The amount that you will be allowed to rollover is contingent upon how much vacation you have at the end of the year.
- For employees hired on or after January 1, 2022, the maximum rollover amount will be 240 hours of vacation leave;
 - For Legacy employees with vacation balances at or below 240 hours as of 12/31/2021, the maximum rollover amount will be 240 hours of vacation leave as well;
 - For Legacy employees with vacation balances over 240 hours as of 12/31/2021, the maximum rollover amount will never exceed their balance as of 12/31/21.

The intent is for excess vacation balances to fall in line with the 240 hours limit over time.

- 11. Will the policy be administered differently for eligible part-time employees?** No. The vacation balances of part-time employees will be capped at the 240 hour maximum or never to exceed their balance as of 12/31/2021.

- 12. If my balance exceeds the amount that I am allowed to roll over, do I lose that time?** That depends. Throughout the year, employees will have the option to use or sell back their vacation to avoid losing any time.

- 13. Under the current policy there is the option to transfer up to 50% of vacation to sick leave. Is this still an option?** Yes. From now until the end of year the current vacation policy is still in effect.
- Any requests received under the current policy will be processed in December.
 - PLEASE NOTE that an additional option is being extended. From now until the end of the year, employees will be allowed to make a 1X transfer of vacation leave to their sick leave balance with no cap.

- 14. Effective January 1, will there still be the option to request a cash out due to hardship?** No. The practice of cashing out vacation due to hardship is being discontinued. Employees will have the option to sell back a limited amount of vacation each year instead.
- Any requests received under the current policy will be processed in December.

- 15. What vacation leave payout should I expect if I were to leave the organization?** It depends.
- For employees hired on or after January 1, 2022, the maximum payout at separation will be 240 hours of vacation leave;
 - For Legacy employees with vacation balances at or below 240 as of 12/31/2021, the maximum payout at separation will be 240 hours of vacation leave as well;
 - For Legacy employees with vacation balances over 240 as of 12/31/2021, the maximum payout at separation will never exceed their balance as of 12/31/2021.

Example: At separation, an employee with a balance of 240 hours can expect to be paid out 100% of 240 hours at their current rate of pay.

For questions or forms, contact Christy Winstead, Benefits & Rewards Manager

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