

Vacation Buy-Back Program **(HR-4-04 Vacation Leave)**

I. Purpose

The purpose of this procedure is to establish guidelines for the buy-back of vacation leave.

The establishment of such a buyback program promotes efficiency and morale by providing a mechanism whereby eligible employees may sell back to the City of San Luis vacation hours that will not be used for other purposes.

The vacation buy-back program shall be contingent upon budget availability and shall be assessed for funding purposes on a Fiscal Year basis and approved by City Council.

Employee participation in the program is strictly voluntary.

II. Policy

The City of San Luis recognizes the existence of circumstances under which some employees have accumulated vacation hours that will not be used in a calendar year and will be rolled over to the next year. It is the objective of City of San Luis to provide eligible employees with the opportunity to take time to recreate while at the same time reduce the total outstanding hours of vacation it is obligated to pay. An employee may sell back to the City up to 40 hours of vacation each fiscal year.

III. Eligibility

An employee may receive payment for *up to 40 hours* of vacation per fiscal year under this buy-back program, provided the employee meets all of the following criteria by April 1st of the year in which the vacation buyback program is applied:

- a. Have twelve (12) full months of continuous service.
- b. Have a performance evaluation rating of 3-Competent or higher on their most recent performance evaluation.
- c. Have no disciplinary actions within the last 6 months preceding request.
- d. Have used at least 40 hours of vacation during the fiscal year.

- e. Retain a vacation balance, of at least forty 80 hours, after the vacation buyback is applied; but not more than the maximum amounts set forth in HR-4-04 (B)(2) of the San Luis Personnel Policies.

IV. Procedure to Sell Back Vacation

An employee desiring to sell back up to 40 hours of vacation must do the following by April 1st of the Fiscal Year for which the buy-back is being applied:

- a. Complete a Vacation Buy-Back Agreement and Application Form
 - i. Request forms, approved by Department Head, must be submitted to Human Resources by April 1st.
- b. Payout of vacation will only be made once per fiscal year, on April (*no later than April 30th*).
 - i. No exceptions to pay out date will be considered.
- c. Payment will be based at the employee's current rate at the time the payout is made, as calculated by payroll.