

Livermore Area Recreation and Park District

Staff Report

TO: Personnel Committee

FROM: Mat Fuzie, General Manager

PREPARED BY: Jeffrey Schneider, Administrative Services Manager
Megan Shannon, Human Resources Officer

DATE: November 10, 2020

SUBJECT: District Notice 0001 - Personnel Rules and Regulations: Holiday Pay (**Revised**)

COMMISSION: Reflects input provided by the Personnel Commission on November 3, 2020

Recommendation: That the Personnel Committee recommend that the Board of Directors approve proposed revisions to District Notice 0001 - Personnel Rules and Regulations: Holiday Pay.

This District Notice (DN) supersedes District Notice 0001- Personnel Rules and Regulations: Holiday Pay, which was published on November 27, 2018.

Purpose: This revised Holiday Pay District Notice serves two primary purposes:

1. To enable employees to have more flexibility to celebrate holidays that are important to them but which are not currently recognized by the District.
2. To discontinue a non-standard and fiscally impactful practice whereby benefited staff who are not scheduled to work on a recognized holiday are, at present, able to designate another day within the same pay period as a holiday not worked.

Effective: January 1, 2021

Highlights:

1. In an attempt to be more inclusive when it comes to our diverse workforce and the holidays which employees wish to celebrate, the District proposes a modified schedule of Recognized Holidays and Floating Holiday allocation. While this proposal would reduce the number of Recognized Holidays from thirteen (13) to nine (9), staff also recommend that the annual allocation of Floating Holidays be increased from two (2) to six (6).

- 1.1. Moving forward, the District will recognize nine (9) major Federal holidays, all of which it currently recognizes, and will no longer formally recognize the following four (4) holidays: Spring Holiday, the Friday after Thanksgiving, Christmas Eve Day, New Years' Eve Day.
 - 1.2. In place of the four (4) Recognized Holidays that are proposed to be dropped, the District will grant benefited staff four (4) Floating Holidays per calendar year, in addition to the current allocation of two (2) Floating Holidays (bringing the new annual count to six (6)), to provide more flexibility for staff to celebrate holidays of their choosing that are not currently recognized by the District (i.e. Juneteenth, Cesar Chavez Day), or any other day deemed important to the employee. These Floating Holidays will be provisioned on January 1st of each year.
2. The nine (9) Federal holidays that will continue to be recognized are not guaranteed, meaning that if an employee is not normally scheduled to work on a Recognized Holiday, they will no longer be able to elect an alternative day during that same pay period to recognize that holiday and be paid for it.
3. At present, staff receive two (2) Floating Holidays on July 1st each year and these hours are available to be used until June 30th of the following calendar year. Staff who have not used their latest allocation of floating holiday hours by the time the new allocation is provisioned (January 1, 2021) may continue to use them until December 31, 2021, while also receiving the new grant of 6 Floating Holidays. As is currently the case, Floating Holidays that are unused after 12 months (now coinciding with December 31st each year) will no longer be available in the new calendar year, when a new grant of six (6) Floating Holidays will be made available. As documented in District Notice 0005 - Reduction in Force, Floating Holiday balances that exist at the time an employee leaves the District will have no cash-out value upon termination.
4. An important change to the use of Floating Holidays will be effective with this District Notice: Floating Holidays may only be taken in the form of full days off to minimize scheduling challenges. No longer will Floating Holidays be denominated in hours, with a one-time exception for staff who currently have a balance of Floating Holiday hours that is not equivalent to one or two full days (6 hours for Part-Time Benefited and 8 hours for Full-Time staff); in these cases, Staff will be able to work down these legacy balances in the form of hours).
5. Of note is that the attached Notice reflects no change to the combined total of Recognized and Floating Holidays (15), just a modification to the mix of them: from 13 Recognized and 2 Floating to 9 Recognized and 6 Floating. Clearly the Board may decide to reduce this total in the future, but Staff are recommending no change at present given the significance of the recent organizational and compensation changes that have been implemented in response to the COVID-19 pandemic.

District Notice 0001 - Personnel Rules and Regulations: Holiday Pay (Revised)

This District Notice replaces the existing District Notice 0001, published November 27, 2018, and supersedes existing Rules and Regulations concerning Holiday pay, which will be revised to reflect its contents.

The District's Recognized Holidays, allocation of Floating Holidays, and treatment of Holiday pay will be as follows:

1. **Recognized Holidays:** employees will be eligible for up to nine (9) Federal Holidays per calendar year, though this number may vary based on individual employee schedules, which will be reflected in all recruitment and new hire materials, effective immediately.
 - 1.1. **The District recognizes the following Federal Holidays: New Year's Day, Martin Luther King Day, Presidents' Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, and Christmas Day.**
2. **Recognized Holidays worked:** any non-exempt employee, regardless of benefit status (Pensioned, Regular, Part-Time Benefited, and Casual, defined below), will be paid at the rate of 1.5 times their normal pay rate for all hours worked on a Recognized Holiday.
3. **Recognized Holiday-not-worked:** non-exempt Staff who would "normally" be scheduled to work on a day on which a Recognized Holiday falls but do not work that day, will be paid based upon his/her standard pay rate, which will applied to a standard number of hours (6 hours for a Part-Time Benefited employee and 8 hours for Full-Time Regular and non-exempt Pensioned employees) in order to calculate holiday pay (provided the employee is on paid status the day prior to the holiday and the day following the holiday).
4. If a non-exempt-Benefited or Casual employee is not normally scheduled to work on a day on which a Recognized Holiday occurs, they shall not be granted paid holiday leave for that day. Effective with this District Notice, the District will no longer allow benefited staff who are not normally scheduled to work on the day on which a Recognized Holiday occurs to designate another day within the same pay period as a holiday not worked.
5. No employee who is required to work on a Recognized Holiday will be eligible to identify, and be paid for, an alternative day to report time-not-worked for the Recognized Holiday that he/she actually worked.
6. **Floating Holidays:** in addition to the aforementioned Recognized Holidays, and in an attempt to recognize the diversity of our staff, all benefited staff shall be granted six (6) Floating Holidays on January 1st each year.
 - 6.1. Effective with this District Notice: Floating Holidays may only be taken in the form of full days off in order to minimize scheduling challenges. No longer will Floating Holidays be denominated in hours.
 - 6.2. For Payroll purposes, the District will treat a Floating Holiday like a Recognized Holiday: Part-Time Benefited staff will receive the equivalent of six (6) hours of pay for

each Floating Holiday reported, while Full-Time staff will receive the equivalent of eight (8) hours of pay.

- 6.3. The reporting of days as Floating Holidays will require prior Supervisor approval, and will be approved on a first come, first served basis, with due consideration for scheduling priorities as determined by Supervisors.
- 6.4. Floating Holidays not used as of December 31st of each year cannot be carried over to the new calendar year and will be lost. In addition, and as documented in District Notice 0005 - Reduction in Force, Floating Holiday balances that exist at the time an employee leaves the District will have no cash-out value upon termination.

7. **Definitions:**

- 7.1. **Pensioned employees:** includes all exempt employees and non-exempt Full-Time employees who are currently included in the Alameda County Employees' Retirement Association (ACERA) pension plan;
- 7.2. **Regular employees:** non-exempt, full-time benefited;
- 7.3. **Part-Time Benefited employees:** non-exempt, part-time benefited staff who work a minimum of 1,456 hours per 12-month measurement period (see below) and a maximum of 1,664 hours per 12-month measurement period, which can only be exceeded with the prior approval of the General Manager (rare);
- 7.4. **Casual employees:** non-benefited, typically (but not necessarily) seasonal staff whose hours cannot exceed 1,560 in the 12-month measurement period; and
- 7.5. **12-month measurement period for hours worked:** to comply with reporting requirements for the Affordable Care Act (ACA), the District measures hours worked for all staff for a standard 12-month period that ends mid- November each year. We will use this same 12-month period for purposes of managing the hours of Part-Time Benefited and Casual staff.

Sections Removed from Original District Notice 0001:

1. When an Observed Holiday occurs on a day of the week on which a benefited employee is not scheduled to work, the employee can coordinate with his/her supervisor to identify an alternative day, during that same pay period, for which the employee will report a holiday-not-worked. As outlined above in item 2, his/her standard pay rate will applied to a standard number of hours (6 hours for a Part-Time Benefited employee and 8 for Full-Time Regular and non-exempt Pensioned employees) in order to calculate holiday pay.
2. The District recognizes the following holidays: New Year's Eve Day, New Year's Day, Martin Luther King Day, Presidents' Day, Spring Holiday, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve Day and Christmas Day.