



## RESOLUTION 2018-077

### ESTABLISHING A LEAVE DONATION PROGRAM

**WHEREAS**, it appears to City Council that many other public and private employers offer a leave donation program for the benefit of employees facing serious health issues or with family members facing serious health issues, who may exhaust their accrued paid leave; and

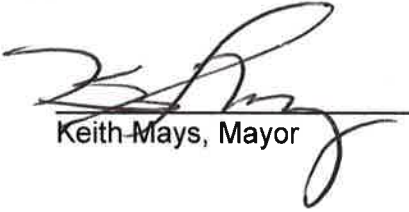
**WHEREAS**, City Council desires to implement such a policy in the City of Sherwood on a one-year trial basis while the PTO Council Subcommittee undertakes a comprehensive review of the City's paid leave policies;

**NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:**

**Section 1.** The Sherwood City Council hereby authorizes the City Manager to sign and implement the program and policy attached hereto as Exhibit 1, including taking such actions as are necessary and appropriate to implement the program and policy with regard to union-represented employees.

**Section 2.** This Resolution shall be effective upon its approval and adoption.

**Duly passed by the City Council this 18th of September, 2018.**

  
Keith Mays, Mayor

Attest:

  
Sylvia Murphy, MMC, City Recorder

## CITY OF SHERWOOD LEAVE DONATION PROGRAM AND POLICY

### PURPOSE

The purpose of the Leave Donation Program is to assist employees faced with a serious medical illness or injury to themselves or an immediate family member by allowing employees to voluntarily transfer their accrued PTO hours into sick leave for another eligible employee who has exhausted all other paid leave.

### EFFECTIVE DATES

The Sherwood City Council recently established a PTO Subcommittee to undertake a comprehensive review of the City's paid leave policies. In order to allow this Program to be reviewed and re-evaluated as a part of that PTO Subcommittee process, this Program is being established on a pilot/trial basis and is effective from September 19, 2018 through September 19, 2019. Requests to receive or donate leave under this Program received after September 19, 2019 will be rejected.

### SCOPE AND ELIGIBILITY

This policy applies to all probationary and regular status City employees who are eligible to earn PTO and sick leave hours and who are either non-represented or are represented by a participating union.

Further eligibility requirements are as follows:

Donating Employee: To qualify as a donating employee, an employee must be working half-time or greater.

Requesting Employee: The requesting employee must be on an approved leave that qualifies under FMLA/OFLA and the City's Family and Medical Leave of Absence policies. The employee must also demonstrate a need of at least 40 hours of donated leave and must not be receiving workers' compensation benefits for the period for which the employee is requesting donated leave.

### SERVICE ACCRUALS AND OTHER BENEFITS

Donated PTO will be converted on a straight hour-for-hour basis to the recipient employee's sick leave account.

The recipient employee, while using donated leave, will continue to earn sick leave and PTO. If any of the donated leave is unused when the employee returns to work, the recipient employee will retain any remaining balance.

For recipient employees who terminate employment, sick leave on the books as a result of a donation will not be reported to PERS for purposes of calculating retirement benefits in accordance with PERS regulations.

Employees, while using donated leave, will continue to be eligible for City-paid health benefits.

### **TAX LIABILITY/BENEFIT**

The tax liability associated with donated leave will be the responsibility of the recipient, in compliance with IRS Revenue Ruling 90-29. Paid time will be subject to all tax liability associated with regular pay including Federal, State and FICA withholding.

Employees should consult with a tax advisor regarding possible tax advantages of donating leave under this program.

### **PROCEDURES**

#### Requesting Employee:

Any eligible employee may request a donation of leave by completing the Request to Receive Donated Leave form (see Appendix A). If the employee is not capable of applying in writing on his or her own behalf, a personal representative may make a written request for the employee. Before applying on behalf of an employee, every effort must be made to obtain consent from the employee or, in situations where this is not possible, the employee's guardian.

Requests for leave donations must be submitted to Human Resources. The request for donated leave will be reviewed in a confidential and objective manner. All determinations made by Human Resources regarding qualification for donated leave are final.

Generally, the employee requesting leave donation must have exhausted all accumulated paid leave at the time of submitting his or her request to Human Resources. However, if it can be shown by the requesting employee that, during the anticipated period of absence, all accrued paid leave will be exhausted, the request may be made prior to exhausting all leave. Regardless, the recipient must exhaust all accumulated paid leave prior to using any donated leave hours.

The requesting employee must specify a number of hours of donated leave requested, and that number must be substantiated by documentation from an eligible healthcare provider regarding the period of anticipated absence. The maximum number of hours that may be requested is twelve weeks full-time equivalent (e.g. 480 hours for an employee whose normal work week is 40 hours).

An employee may request leave donation only once in any 12-month period. The City will determine eligibility under this provision by the use of the "rolling 12-month" basis, in which the 12-month period is measured backward from the date the leave request is submitted.

#### Donating Employee:

## EXHIBIT 1

Employees wishing to donate PTO must do so within 15 calendar days from the date of the notice of request for donations. Hours are donated by completing the Request to Donate Leave (see Appendix A), and must be submitted to Human Resources.

PTO may be donated in increments of one hour up to a maximum of 40 hours per donor per donation request, and a maximum of 160 hours per donor per 12-month period (measured backward from the date of donation). Donating employees must have sufficient PTO hours accrued to cover donated time.

### **HUMAN RESOURCES RESPONSIBILITY**

Notification of determination of approval or denial of requests will be made within 10 calendar days of receipt of a request.

If the request is approved, the employee will be notified of the decision, the maximum amount of donated leave time the employee may receive, and the effective date. See Appendix A for an example. Thereafter, Human Resources will post notice of the request to all City staff. The notice will either name the employee or keep the employee's identity confidential, based on the preferences stated in the request.

Donations will be processed by date of submission until the requested amount of donated leave is reached. Any subsequent donations will be returned to the donating employee.

If the request is denied, the requesting employee will be notified of the decision by letter.

The request will be filed in the employee's medical file with the final decision and all supporting documentation.

### **RESPONSIBILITY OF ALL EMPLOYEES**

All employees are expected to respect the privacy of any employee's requesting leave donations, and also to respect each employee's decision to donate or not donate leave. It is not acceptable to pressure, intimidate, or otherwise attempt to convince any employee to donate or not donate leave in response to a leave donation request.

**REQUEST TO RECEIVE DONATED LEAVE**

TO BE COMPLETED BY APPLICANT OR PERSONAL REPRESENTATIVE OF APPLICANT		
Name (Last, First, MI): _____		
Department Name: _____	Work Location: _____	Work Phone: _____
Employee Status: <input type="checkbox"/> Full-Time <input type="checkbox"/> Part Time		
Number of Hours/Week: _____		
Leave Balances at End of Last Pay Period: Sick Leave: _____ PTO: _____		
Number of Leave Hours Requested: _____		
Circulate Request: <input type="checkbox"/> Department <input type="checkbox"/> City		
Remain Anonymous: <input type="checkbox"/> Yes <input type="checkbox"/> No		
OPTIONAL: Additional information to be included in notice		

ATTACH TO THIS FORM documentation from an eligible healthcare provider regarding anticipated duration of absence.

SIGNATURE OF REQUESTING EMPLOYEE	
_____	_____
Signature	Date

SIGNATURE OF PERSONAL REPRESENTATIVE OF REQUESTING EMPLOYEE (if applicable)	
_____	_____
Name (print)	Relationship to Employee
_____	_____
Signature	Date

SIGNATURE OF REQUESTING EMPLOYEE'S SUPERVISOR	
_____	_____
Name (print)	Phone Number
_____	_____
Signature	Date

**REQUEST TO DONATE LEAVE**

I request that my PTO be transferred to sick leave for \_\_\_\_\_  
 (Receiving Employee's Name or Request ID)

I have reviewed and understood the City of Sherwood Leave Donation Program and Policy. I understand that my decision to transfer leave is irrevocable.

TO BE COMPLETED BY LEAVE DONOR	
Name (Last, First, MI):	
Department Name:	Work Phone:
Amount of PTO at End of Last Pay Period:	Hours to be Transferred (max 40, increments of 1):

SIGNATURE OF LEAVE DONOR	
I would like to remain anonymous to the recipient:	<input type="checkbox"/> Yes <input type="checkbox"/> No
_____ Signature	_____ Date

TO:  
FROM: HUMAN RESOURCES  
DATE:  
**RE: REQUEST TO RECEIVE DONATED LEAVE APPROVED**

We are pleased to inform you that your Request to Receive Donated Leave has been approved.

The maximum amount of donated leave you may receive is:	_____
You may begin using donated leave on:	_____

Human Resources will be responsible for receiving donation requests, verifying the amount of donor leave balances, and submitting requests to donate leave to Finance for processing.

If you have any questions please contact Human Resources.

TO:  
FROM: HUMAN RESOURCES  
DATE:  
**RE: REQUEST TO RECEIVE DONATED LEAVE DENIED**

We regret to inform you that your request to receive donated leave has not been approved because it does not meet the eligibility requirements with respect to:

\_\_\_\_\_ Your absence is not of an eligible type.

\_\_\_\_\_ Your illness or injury is job-related and therefore you are eligible to receive Workers, Compensation benefits.

\_\_\_\_\_ The length of anticipated unpaid absence from the job is less than 40 hours, the minimum amount of required by the Leave Donation Policy.

\_\_\_\_\_ We do not have sufficient information from your healthcare provider. Please re-submit your request with additional documentation.

\_\_\_\_\_ Other:

If you have any questions please contact Human Resources.