

To: Selectboard
From: Charles
Re: Employees' Unpaid Leave Time

Background

We have known for more than a year that we had issues with leave time that employees had accrued over the years that would need to be resolved before the Town Treasurer would be able to enter the leave time data into the NEMRC payroll system. Her memo to the employees last month asking for feedback on what she had in the system for each employee's accrued leave time prompted concern by at least one employee about the accuracy of the data. Also, her memo was based on fiscal years rather than the employees' anniversary dates for the purposes of calculating vacation accrual. Since the Town's Personnel Policy clearly uses anniversary dates for determining accrued vacation, I went about to figure out the leave time each employee had accrued based on their anniversary date and their timesheets. I also researched the apparent inaccuracies in leave time that the NEMRC system showed for one employee in particular.

Results

The results of my research are as follows:

1. Leave time was not always posted as leave time in the NEMRC system and types of leave time (e.g. holiday and vacation) were occasionally posted as a different type of leave time, i.e. instead of what the employee had put on their timesheet. For this reason I used the timesheets as the standard and as a result, my numbers differ from Mary's since she used what was in the NEMRC system.
2. Some employees were paid for a holiday without it being marked on their timesheet. However, this was not practiced consistently. Holiday time was not paid fully for each employee for every year. This was more of a problem for two employees in particular.
3. One employee's timesheets were (until a year ago) filled out with X's, check marks, "vacation", or the name of the holiday in the leave time columns instead of the number of hours to be paid for that day. This led to her not being paid in many instances. There were 36 hours of vacation time and 62.5 hours of holiday time that were on the timesheets and not paid.
4. One employee started working more than 20 hours per week in 2008 and was therefore eligible for benefits at that time, but didn't start receiving them until she was made salaried in 2011.
5. In talking with the employees, there was almost universal lack of understanding about how vacation accrued and on what date any vacation time would be forfeited as a result of section 5.3.3 of the 2007 Personnel Policy and section XX. C of the 1994 Personnel Rules and Regulations.

Recommendations

1. Pay employees for the holiday time for which they were not paid. Nowhere in our Personnel Policy does it say an employee must fill out the timesheet to get paid for a holiday, and unlike vacation time where the policy clearly says you use it or lose it, holiday pay is a defined benefit.
2. For unpaid and lost vacation time, split compensation by adding some hours to the employees' accrued vacation time and paying out some of the hours, as preferred by the employee.

This would result in the following:

- **Sharron Balaban:** pay four hours of unpaid holiday time (=\$37) and add 6 hours to accrued vacation time in NEMRC.
- **Mary Recchia:** pay 330 hours of unpaid holiday time (=\$5,667), add 83 hours to accrued vacation time in NEMRC, and pay 100 hours of unpaid vacation time (=\$2,614).
- **Cheryl Sloan:** pay 38.4 hours of unpaid holiday time (=\$543) and pay 23.6 hours of unpaid vacation time (=\$351).
- **Margaret Woodruff:** pay 146 hours of unpaid holiday time (=\$1,879) and pay for 89.9 hours of unpaid vacation time (=\$1,934).#

Total to be paid (from Selectboard Unanticipated Expenses): \$13,025