

Paid Time Off (PTO) Presentation

June 25, 2012
Commissioners' Court

Current Paid Leave Structure

- ❖ Paid Time Off is accrued based upon an employee's years of service:

Completed Years of Service	Accrual Rate (hours per pay period)	Annualized PTO Accrual	Maximum Accrual	# of Employees in each PTO category	# of Employees at the PTO Maximum
0-4 years	7.40	24 days	200 hours	530	17
5-9 years	8.32	27 days	240 hours	411	24
10-19 years	9.24	30 days	320 hours	450	16
20+ years	10.16	33 days	400 hours	164	10

PTO Changes for Consideration

- ❖ Current employees will not be affected by the policy change. Only individuals hired on or after the effective date of the change will be affected.
- ❖ New PTO rates would be effective as of 10/1/2012 (beginning of pay period).
- ❖ Both options presented require modifications to PeopleSoft. The 10/1/2012 effective date is dependent upon the successful modification and testing of PeopleSoft.

PTO Accrual Schedule Option 1

- ❖ Currently, regular full time employees begin accruing paid time off from their hire date, however, they are not able to use their PTO until they have completed six months of service.
- ❖ Employees would accrue PTO but at a lesser rate than the current PTO plan.
- ❖ Potential cost savings is estimated at \$300,000.
- ❖ This option could be modified to remove the six month waiting period requirement which would allow employees to begin using time immediately.

Completed Years of Service	Current Accrual Rate (hours per pay period)	Option 1 Accrual Rate (hours per pay period)	Current Annualized PTO Accrual	Option 1 Annualized PTO Accrual	Current Maximum Accrual	Option 1 Maximum Accrual
Less than 1 year	7.40	4.94	24 days	16 days	200 hours	80 hours
1 year	7.40	5.54	24 days	18 days	200 hours	140 hours
2 years	7.40	6.16	24 days	20 days	200 hours	140 hours
3 years	7.40	6.78	24 days	22 days	200 hours	200 hours
4 years	7.40	7.40	24 days	24 days	200 hours	200 hours

Paid Leave Comparison: Proposed Accrual by Years of Service Option 1

	PTO Days	Total Vacation/Sick Days						
Completed Years of Service*	Collin County	Plano	McKinney	Frisco	Allen	Dallas County	Denton County	Tarrant County
0	16	33	27	27	19	22	12	22
1	18	33	27	27	19	22	22	22
2	20	33	27	27	19	22	22	22
3	22	33	27	27	19	22	22	22
4	24	33	27	27	19	22	22	22

*Prorated based upon hire date.

Private Sector Comparison:

39% of private sector employers offer a consolidated leave plan such as PTO. Average leave days 18-29.

90% of private sector employers offer vacation leave. Average leave days 13-24.

82% of private sector employers offer sick leave. Average leave days 11-16.

PTO Accrual Schedule Option 2

- ❖ Currently, regular full time employees begin accruing paid time off from their hire date, however, they are not able to use their PTO until they have completed six months of service.
- ❖ New employees would not begin accruing PTO until they completed six months of service.
- ❖ Potential cost savings is estimated at \$600,000.

Completed Years of Service	Current Accrual Rate (hours per pay period)	Option 2 Accrual Rate (hours per pay period)	Current Annualized PTO Accrual	Option 2 Annualized PTO Accrual	Current Maximum Accrual	Option 2 Maximum Accrual
Less than 6 months	7.40	0	24 days	0	200 hours	0
6 months - 1 year	7.40	6.16	24 days	10 days	200 hours	80 hours
1-4 years	7.40	6.16	24 days	20 days	200 hours	200 hours

Paid Leave Comparison: Proposed Accrual by Years of Service Option 2

	PTO Days	Total Vacation/Sick Days						
Completed Years of Service	Collin County	Plano	McKinney	Frisco	Allen	Dallas County	Denton County	Tarrant County
0-6 months	0	33	27	27	19	22	12	22
6 months – 1 yr	10	33	27	27	19	22	22	22
1-4 yrs	20	33	27	27	19	22	22	22

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