

## **Policy for Vacation Time Payout Upon Max Accrual**

### **Purpose:**

This policy outlines the procedures for handling vacation time accruals that exceed the maximum allowed limit.

### **Policy:**

#### **1. Maximum Accrual Limit:**

- The maximum number of vacation hours an employee can accrue is 240 hours.
- This limit applies to both accrued and unused vacation time.

#### **2. Notification:**

- When an employee reaches 75% of the maximum accrual limit, they will receive a written notification from the City Treasurer
- The notification will:
  - Remind the employee of the maximum accrual limit.
  - Encourage them to utilize their accrued vacation time.

#### **3. Payout of Excess Vacation Time:**

- If an employee reaches the maximum accrual limit, they will be paid out 80 hours of vacation time.
- The payout will be calculated based on the employee's regular hourly rate of pay.
- The payout will be included in the employee's next regular paycheck.

**By following this policy, the city can effectively manage vacation time accruals, prevent the loss of valuable employee time, and ensure compliance with relevant regulations.**