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Revision: 17      Effective Date: 1/1/2021

Approved by:  Fred Millen, HR Director
Applicable to: APSC Employees

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## 1.0 Purpose

Establish vacation entitlements and define procedures under which employees may schedule and take vacation.

## 2.0 Accountable Resources

- **Sr. HR Representative:** authorizes exceptions to this procedure and addresses any exception requests.
- **Employee’s Executive:** authorizes vacation carryover exception requests.
- **Supervisor/Manager:** verifies vacation eligibility and approves vacation requests during the year, to include requests for early vacation. Is accountable for approving their employees’ vacation time loaded in eTIME and carryover exception requests.
- **Compensation and Benefits:** develops, administers, and implements this procedure.
- **HR Generalist (HRG):** interprets this procedure, assists the supervisor/manager when considering an employee’s request, and works with the Sr. HR Representative for exception requests.
- **Occupational Health Unit (OHU) Representative:** verifies medical documentation relating to vacation entitlement reinstatement.



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- **Payroll:** maintains the record of vacation eligibility based on benefit service, carryover, prorates non-fulltime employee entitlement and benefit hours, and manages non-refresh status of employees.
- **Employee:** requests early vacation, accountable for proposing and requesting from their supervisor any future vacation periods and complying with the processes outlined in this procedure and entering approved leave into eTIME up to 6 months in advance and submits to supervisor for approval.

### 3.0 References

- *CW-200, Records Retention Schedule*
- *HR-2.04, Holidays*
- *HR-2.06, Employee Absences/Leaves*
- *HR-2.08, Sick Pay for Employees*
- *HR-2.10, Time Reporting*
- *Form 7036, Early Vacation Request Form*

### 4.0 Definitions

#### Vacation Service

The vacation service date is used to determine the number of hours that an employee will receive and when the employee will move to the next vacation level. Vacation service normally begins on an employee's hire date and ends on his or her termination date. If an employee works less than a full-time schedule, all entitlements will be prorated. Periods during an approved or unapproved leave of absence may interrupt the accumulation of vacation service. This date may be amended by considering any breaks in service as calculated by HR.

The original date of hire is the date an employee first established an employment relationship with Alyeska.

#### Exempt

Exempt jobs are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA). This classification is based on job duties, responsibilities, and level of decision-making authority.

#### Non-Exempt

Non-exempt jobs are subject to the Fair Labor Standards Act (FLSA) provisions including the payment of overtime for hours recognized as worked. Employees in non-exempt jobs are normally required to account for hours and fractional hours worked.



## 5.0 Procedure

### Calculation of Paid Vacation Hours

Urban Non-Exempt Hourly: employees hired into non-exempt hourly positions receive a vacation entitlement of 120-hours. A prorated number of hours will be calculated if an employee is hired after January 1st. The hire date will be the vacation service date.

Field Non-Exempt Hourly: employees hired into non-exempt hourly jobs receive a vacation entitlement of 144-hours. A prorated number of hours will be calculated if an employee is hired after January 1st. The hire date will be the vacation service date

Exempt: employees hired into exempt jobs receive a vacation entitlement based on job related experience not to exceed 10 years, as determined by HR. A prorated number of hours will be calculated if an employee is hired after January 1<sup>st</sup>.

Except as noted above, vacation entitlements are based on:

- Employee’s Vacation Service, and
- Employee’s assigned work schedule (Field or Urban).

**Table 1. Field Schedule**

Length of Service with Alyeska which will be completed in the calendar year	Vacation Entitlement
0 through 3	144 hours
4 through 6	168 hours
7 through 9	189 hours
10 through 12	210 hours
13 through 15	231 hours
16 through 18	252 hours
19 through 21	273 hours
22 through 24	294 hours
25+	315 hours

**Table 2. Urban Schedule**

Length of Service with Alyeska which will be completed in the calendar year	Vacation Entitlement
0 through 3	120 hours
4 through 6	140 hours
7 through 9	160 hours
10 through 12	180 hours
13 through 15	200 hours
16 through 18	220 hours
19 through 21	240 hours
22 through 24	260 hours
25+	280 hours



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### A. ACCRUING VACATION

1. Active employees are eligible for their annual vacation entitlement on January 1 of each year.
2. Employees on sick leave or unpaid leave (other than for birth or adoption of a child) on the last day of their normally scheduled shift or work week or out for more than 12 cumulative weeks due to illness or injury (using any type of leave) during the calendar year must physically return to work and meet the eligibility requirements outlined in HR 2.08, Sick Pay for Employees, (e.g. back at work for a certain number of consecutive scheduled work weeks), to receive, earn, and use the new or following year's vacation and sick leave entitlements.
3. Employees on the Job Share/Part Time plan will have vacation entitlements pro-rated according to the work schedule of the employee. For example, if an employee moves to a half-time work schedule and has 160 hours of vacation entitlement remaining for the year as a full-time employee, their adjusted entitlement will be for 80 hours prorated from the date they start on the half-time work schedule. If the same employee moves to a three-quarter time work schedule, their adjusted entitlement will be 120 hours of vacation.

### B. SCHEDULING OF VACATION

1. Vacation should be scheduled as far in advance as possible in the calendar year the vacation entitlement benefit is received. eTIME can be filled out with vacation time up to six months in advance.
2. Vacation must be approved by supervisor/manager prior to using the vacation entitlement benefit.
3. Field scheduled assigned employees may request vacation in full work week/shift increments. Employees requesting use of vacation less than a full week or "on" shift increments must receive prior approval by the supervisor. Supervisors may require employees to work or take leave without pay for the remaining portion of the work week/shift based on business necessity.
4. The preference of the employee will be considered; however, vacations must be taken around Alyeska's operating requirements as determined by the employee's supervisor.
5. Vacations initiated in the last month of the year that continue unbroken into the following calendar year will be counted against the prior year's entitlement, if the prior year's entitlement has not been exhausted.
6. Exempt employees record vacation in full work-day increments.
7. Employees in certain situations may be approved by their supervisor for early vacation. Each request will be reviewed on a case by case basis. An approved Early Vacation Request ([Form 7036](#)) must be forwarded to Payroll prior to use of the early vacation and the hours entered in eTIME. If early vacation is approved and the employee leaves the Company prior to becoming eligible for said vacation, the early vacation payment will be deducted from the employee's final paycheck.



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### C. PUMP STATION PRIORITY

1. The employee with the longest term of service with Alyeska will receive priority. The employee's adjusted service date determines vacation leave, as reported by HR.
2. Employees with the longest service periods will not receive priority for the *same* premium vacation period, year after year unless that premium period is uncontested, but will receive priority for those same dates on a five-year cycle. Employees taking an uncontested premium vacation period one year will not automatically be granted the same period the following year unless it is again uncontested.
3. Employees with the same service date who desire the same vacation period and who are unable to come to an agreement will be given priority based on the alphabetical sequence of their last name. Employees who do not get their choice under these conditions one year will receive priority the following year.
4. If a Field scheduled employee has requested more than one vacation period in any one year, the second and subsequent requests will be honored only after other employees' requests have been reviewed and approved/denied.
5. Each employee requesting vacation during January and February of the following year will submit a vacation request(s) by October 1 of the present year.
6. The Supervisor will respond to the request(s) as soon as possible after the October 1<sup>st</sup> cutoff date, but no later than November 15<sup>th</sup>.
7. All other requests for vacations will be submitted by November 1<sup>st</sup>, and employees should expect a response from their supervisor no later than January 1<sup>st</sup> of the following year.

### D. VACATION PAY

1. Timesheets with vacation hours should be submitted by all employees prior to the vacation commencing. Hours can be entered into eTIME up to six (6) months in advance of the leave. Exempt employees must always claim vacation leave in full workday increments; non-exempt hourly employees take leave in hourly increments and must input all hours for their normal schedule whether vacation is used, or the hours are worked.
2. Vacation pay is an amount equal to the employee's compensation for a regular work schedule.
3. For purposes of overtime calculation, vacation hours are considered "hours worked."
4. Field Scheduled Exempt employees will be paid their normal salary and allowances during vacation.
5. Field Scheduled Non-Exempt Hourly employees will be paid for the number of hours normally worked during their scheduled work cycle, including applicable overtime premiums.



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6. If an employee transfers from an Urban schedule to a Field schedule or vice versa after taking incremental hours or days of vacation, the remaining vacation entitlement will be converted accordingly.
7. When an employee terminates or retires from the company, he or she may elect to receive cash-in-lieu of earned vacation not taken or may elect to defer their end of employment date until all earned vacation is used. In the case the employee elects to defer their date until all vacation is used and it takes them into the next calendar year, they will not receive the vacation entitlement for the new year.
8. Employees who are terminated for cause or who leave under special separation programs do not have the option to defer their end of employment date until all vacation is used and will receive cash-in-lieu of earned vacation not taken.

#### E. DEFERRED VACATIONS

1. If an employee becomes ill before starting a vacation and the illness extends into the scheduled vacation period, the vacation may be postponed with supervisor approval, prior to the vacation commencement.
2. Vacation Reinstatement due to illness or injury:
  - a) If any employee becomes ill or injured after the vacation has commenced and the employee is seeking vacation reinstatement, the employee must:
    - 1) See a medical provider immediately and obtain signed and dated medical documentation that states the days the employee is unable to work.
    - 2) Contact their supervisor and an OHU Representative to let them know of their illness/injury on the day they see the doctor.
    - 3) Continue to make daily contact with their supervisor during the illness/injury.
    - 4) Obtain a medical release from OHU prior to returning to work if the illness is more than five (5) days.
    - 5) Notify HR of their intent to request vacation reinstatement.
    - 6) Upon returning to work, provide OHU with a memo outlining the illness/injury and medical documentation from the attending physician obtained during the illness/injury verifying dates: vacation may be reinstated for the days after medical attention was sought and only if the procedure is followed.
    - 7) Sign a medical release of information for the illness/injury **and submit to** OHU to verify information pertaining to request for vacation reinstatement.
  - b) OHU will verify information provided and seek approval from HR. If approved, HR will work with payroll to reinstate the requested vacation.



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#### F. AUTOMATIC ROLLOVER

1. Alyeska has an automatic rollover process for unused vacation. All hours up to 80 hours for urban employees and 84 hours for field employees (prorated for those employees working less than full time) are automatically rolled over to the next calendar year. No action or approvals are required of the employee or the supervisor/manager.
2. If an employee is unable to take vacation because of an OHU medically managed injury or illness,
  - a. and they return to work prior to the first Monday in December, an exception request to carry over an amount beyond the threshold limits must be in writing (via e-mail) with chain of command approval, to include Executive approval and submitted to HR and to Payroll no later than the first Monday in December if the employee has returned to work prior to the due date. If granted, the hours will be added to the following year's vacation entitlement if they refresh entitlements.
  - b. and they have not returned to work by the first Monday in December, the exception request to carry over an amount beyond the threshold limits must be in writing (via e-mail) when they return from their medically managed injury or illness. If granted, the hours will be added to the following year's vacation entitlement if they refresh entitlements.
3. If an employee is unable to take vacation because of a non-disciplinary approved leave of absence, or an extraordinary operational business need, an exception request to carry over an amount beyond the threshold limits must be in writing (via e-mail) with chain of command approval, to include Executive approval and submitted to HR and to Payroll no later than the first Monday in December. If granted, the hours will be added to the following year's vacation entitlement.
4. If an employee is planning for the known birth or adoption of a child, that employee may roll over all remaining vacation entitlements by notifying chain of command, OHU, HR, and Payroll no later than the first Monday in December.
5. Vacation entitlements not used by the calendar yearend in which they are received (except for reasons defined above) will be forfeited.

**End of Procedure**



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## 6.0 Records

<ul style="list-style-type: none"> <li>• Early Vacation Request Form (Form 7036)</li> </ul>	<p>All records generated as a result of this document will be retained in accordance with <i>CW-200, Records Retention Schedule</i>.</p>
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## 7.0 Revision History

Revision	Date	Revision Summary
17	01/01/2021	Updated with new Vacation Service Date and new vacation schedule. Removed Form 10372 Vacation Carryover Request from Records section (no longer used), clarified when a departing employee uses vacation to extend their departure that they will not receive new calendar year vacation entitlements, added language to Pump Station priority section, and clarified “Chain of Command” to include Executive approval.
16	12/06/2017	Clarified vacation for exempt level employees, simplified language, updated eTIME use language and entitlements due to sick leave and added in pre-approval. Updated Early vacation request language. Added details around pregnancy/adoption related vacation rollover.
15	02/27/2017	Updated Section 5 <i>Calculation of Paid Vacation Hours</i> to reflect proration process.
14	10/28/2016	Updated to reflect new annual automatic roll over process for vacation remaining at end of year.
13	01/28/2016	Updated to reflect Form 10372 Vacation Carryover Request. Clarified holiday time and vacation use for field exempt employees.
12	01/15/2014	Change to 1 year waiting period for urban and field non-exempt employees.
11	08/19/2013	Detailed review of procedure. Updates regarding reference to HR 2.08 Sick Pay for Employees regarding benefit refresh eligibility. Updated language for vacation entitlement calculation and accrual. Administrative and grammatical edits. Updated Vacation Reinstatement requirements.
10	10/07/2011	Updated content to reflect current practice and revised template to align with the TAPS Documents formatting characteristics. Note: This procedure and revision, HR-2.05r10, supersedes the previous naming convention, procedure, and revision E-2.05.02r9.
9	02/29/2000	Transitioned from hard copy procedure to TAPS Document System
1-8		Maintained by HR in hard copy format