



Administrative Policy

Title: Unforeseeable Emergency Annual Leave Buy-Back Policy				
Administered By: Administrative Services (Human Resources)				
Policy No.	Issue Date	Revision Date	Department Head Approved	City Manager Approved
01400.210	05/04/20	N/A	DocuSigned by: <i>Kim Sitton</i> <small>AE6AA49B0BD44E7...</small>	DocuSigned by: <i>Jacob Ellis</i> <small>8CB6AE0895944B4...</small>

ARTICLE I - PURPOSE

Section 1.1 General Purpose

The City of Corona recognizes that upon occasion employees encounter unforeseeable emergencies that result in financial hardship. The purpose of this policy is to allow City employees to buy-back annual leave that the employee has accrued when the employee experiences financial hardship caused by an unforeseeable emergency. This Policy is separate from and supplements the City’s other MOU’s, resolutions and policies pertaining to the accrual, use or ability to buy back annual leave, and thus is not intended to limit those documents in any way.

Section 1.2 Superseded Policies

This policy supersedes and replaces the following policies, which are hereby eliminated in their entirety and are of no further force and effect:

None

ARTICLE II - DEFINITIONS AND SCOPE

Section 2.1 Definitions

For purposes of this policy, the following definitions shall apply:

- A. **Code**. The term “Code” means the Internal Revenue Code of 1986, as amended, and Regulations issued thereunder.
- B. **Employee**. The term “Employee” means any individual employed by the City who earns and accrues annual leave time.
- C. **Dependent**. The term “Dependent” means an Employee’s dependent as defined by Code Section 152, without regard to Code Section 152(b)(1), (b)(2), or (d)(1)(B).
- D. **Spouse**. The term “Spouse” means the person to whom the Employee is legally married. The term “Spouse” does not include an individual legally separated from an Employee under a decree of legal separation.
- E. **Unforeseeable Emergency**. The term “Unforeseeable Emergency” shall mean a financial emergency caused by an extraordinary and unforeseeable event beyond the Employee’s control that will result in a severe financial hardship if a cash payment is not made, as determined in accordance with Code Section 409A(a)(2)(B)(ii) and the underlying Treasury Regulations.

Section 2.2 General Scope

Unless otherwise stipulated herein, this policy applies to all City employees. All such employees shall comply with the provisions outlined in this policy. It is the responsibility of all supervision to ensure that the provisions outlined in this policy are enforced for those City employees under their authority.

Section 2.3 Exemptions from Scope

None.

ARTICLE III – PROCEDURE FOR EMERGENCY BUY-BACK OF ANNUAL LEAVE

Section 3.1 Submission of Request

If an Employee experiences an event which he or she believes is an Unforeseeable Emergency, the Employee may request to buy back annual leave which has been accrued as of the date the request is submitted. All requests must be submitted to the Payroll Division on the City of Corona Emergency Annual Leave Buy-Back Policy Request

Form ("Request Form"). Copies of the Form are available, upon request, from the Payroll or Human Resources Division. Any supporting documentation (e.g., bills, receipts, financial documents, etc.) demonstrating that an Unforeseeable Emergency exists that the Employee would like the City to consider must also be submitted with the Request Form.

Section 3.2 Conditions for Emergency Buy Back

A. Eligibility. In order to qualify to buy back annual leave under this Policy, the following requirements must be met:

- A financial emergency exists that was unforeseeable;
- The unforeseen emergency would result in serious financial hardship; and
- The amount requested is necessary to pay expenses associated with the emergency:

1. Unforeseeable Emergency. Examples of an unforeseeable emergency include, but are not limited to the following: illness or accidental injury of the employee, his or her spouse, child or dependent; medical expenses not covered by insurance of the employee, spouse, child or dependent, funeral expense of a spouse, child, or dependent; loss of the employee's property due to casualty; the need to repair the principal residence because of significant water damage which is substantially similar to the need to pay for damage to a home as a result of a natural disaster; imminent foreclosure or eviction from primary residence; loss of regular income as a result of an event that is the subject of a federal or state emergency declaration; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control.

2. Financial Necessity. To establish that the amount requested is necessary, an Employee will need to certify the following:

- (a) No other funds are reasonably available to meet the Employee's financial need.
- (b) That the amount of the Employee's emergency cannot be satisfied by other resources available to the Employee, including assets of the Employee's Spouse or minor children.

- (c) That the Employee has no other distributions and nontaxable loans currently available to the Employee under any other benefit policies maintained by the City.
- B. Minimum Balance. Employee must maintain a minimum balance of annual leave hours in the Employee's account after the emergency buy-back as required by the memorandum of understanding or compensation and benefits resolution applicable to the Employee's position. The City shall adjust the amount of annual leave hours available to the Employee for emergency buy back under this Policy in order to satisfy this condition.
- C. Limitation. The maximum amount of annual leave hours that an Employee can buy back is limited to the amount that the City Manager (or his or her designee) determines, in his or her sole discretion, is necessary to resolve the Unforeseeable Emergency.
- D. Rate of Pay. Annual leave payments approved pursuant to this Policy shall be calculated at the Employee's base rate of pay, as specified in the memorandum of understanding or compensation and benefits resolution governing the Employee's position, as of the last full pay period prior to the date the Employee submits the Request Form.
- E. Date of Payment. Annual leave payments approved pursuant to this Policy will be made on or before the Friday after the pay day for the last full pay period following approval of the Employee's Request Form pursuant to Section 3.3 of this Policy.

Section 3.3 Approval of Request

The City Manager (or his or her designee) shall review each Request Form and supporting documentation. Based on all of the facts and circumstances, the City Manager (or his or her designee) shall determine whether or not an Unforeseeable Emergency exists within ten (10) business days from the date each Request Form is submitted. The City Manager's (or his or her designee's) decision shall be final. The Human Resources Division shall retain copies of the Request Form and supporting documentation in the Employee's personnel file for a period of three (3) years.

PRIOR VERSIONS

ISSUED: 04-22-20

REVISED: