## December 30, 2014

Re: Question on Donation of Leave Ratio – "Why is it that for every two paid leave days that we donate, the recipient only receives one day?"

## Dear Staff Member,

Thank you for asking about the donation of leave provision in the employee handbook. The handbook describes "what we do." It is as important, if not more important, to know "why we do" the things we do. All too often people speculate rather than ask.

The District is committed to help staff work through the unavoidable personal hardships of life. This is the foundation for the donation of leave benefit, as well as many of the other leave and fringe benefits (health insurance, short term disability insurance, long term disability insurance, waiver of premium benefits, HRA benefits, etc.). The existence of these employee benefits is balanced with the implications to the organization as a whole.

We have a 1:1 donation ratio for personal and 2:1 donation ratio for paid (sick) leave. The 1:1 ratio for personal leave donation is our practice because nearly 100% of personal leave days allocated are used (allocated:used ratio). Alternatively, paid (sick) leave days are used at approximately 50% (2:1 ratio).

Accordingly, a person donating one personal leave day is forgoing one leave day that, in all likelihood, he or she would have used (i.e. 100% utilization rate). The net effect being, one leave day is used, whether by the staff member originally allocated the day or by the person receiving the donated day.

Alternatively, a person donating one paid (sick) leave day is forgoing only one-half a day of likely leave use (i.e. 50% paid (sick) leave utilization rate). When donated, this one-half day of <u>likely use</u> becomes one day of <u>certain use</u> by the donation recipient. To account for this difference in utilization rate, the District uses a 2:1 ratio for donated paid (sick) leave days. If the District allowed paid (sick) leave donation at 1:1 ratio, the overall amount of staff absence time would increase and direct student interaction time decrease.

Direct student interaction time is important because our high quality staff has a tremendous impact on student success each day. Research has repeatedly shown staff attendance significantly impacts student success (I've attached one of multiple reports on this topic). Our donation of leave program allows coworkers to receive the donated leave days and focus on their wellbeing. The rest of us help them by donating days, while preserving the success of students by not increasing the paid leave utilization rate.

In addition to helping out coworkers and preserving opportunities for student success, there is a financial impact that deserves consideration. By providing staff paid (sick) leave benefits, the District assumes responsibility for continuing compensation to absent employees and the expense of substitutes. If the District's leave donation practice increased the utilization rate of paid (sick) leave benefits above 50%, then there would be an increased substitute employee cost. The 2:1 paid (sick) leave ratio is intended to avoid any financial implication.

In summary, the leave donation language is about creating a balance that considers the ill staff member's needs, the willingness of staff members to donate, student needs and financial realities. I suppose there is no perfect balance. Yet, I believe we have found a responsible balance.

Thank you for expressing your gratitude for the existing donation of leave program. We are indeed fortunate to work in a district where we are allowed to support one another by donating our leave benefits.

Sincerely, Dr. Kristin Mueller District Administrator