



Human Resources Department Employee Benefits and Services Division

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Michael Bowers
Human Resources Director

Amy Coughlin
Assistant Director

Gina King
Assistant Director

Leonardo Gonzalez
County Labor Relations Chief

December 7, 2023

Name
Address
City, State Zip

RE: Vacation/Holiday/Administrative/Paid Time Off Leave Cash-Out for Calendar Year 2024

Dear Name:

It is time for you to consider your leave cash-out options for calendar year 2024. As an employee covered by the [Exempt Compensation Ordinance](#), you have several leave cash-out options depending on the leave types you are eligible to accrue in 2024.

Vacation and/or Paid Time Off

Vacation leave for employees with traditional benefits, not enrolled in the Modified Benefit Option (MBO): You may elect to cash out up to 160 hours of vacation leave by exercising the following options:

- Option 1, Future Accruals – You must make an **irrevocable** election during the month of December specifying the number of hours to be sold back from the next calendar year's vacation leave accrual. Election must be made in increments of not less than ten (10) hours and may not exceed 160 hours.
- Option 2, Existing Accruals – Existing vacation or PTO accruals may be cashed out in whole hour increments with a minimum cash-out of ten (10) hours and will be subject to a 10% penalty.

Paid Time Off (PTO) for employees enrolled in the MBO: You may elect to cash out up to 160 hours of PTO by exercising the following options:

- Option 1, Future Accruals – You must make an **irrevocable** election during the month of December specifying the number of hours to be sold back from the next calendar year's PTO accrual.
- Option 2, Existing Accruals – Existing vacation or PTO accruals may be cashed out in whole hour increments with a minimum cash-out of ten (10) hours and will be subject to a 10% penalty.

Employees who intend to switch to the MBO or the Traditional Benefit Option (TBO) during the next open enrollment period: An employee enrolled in the MBO is not eligible to pre-designate a vacation leave cash-out unless the employee intends to convert back to the TBO during the next open enrollment period and starts accruing vacation in the new plan year beginning July 27, 2024 (pay period 17). Likewise, an employee in the TBO is not eligible to pre-designate PTO unless employee intends to convert to MBO during the next open enrollment period and starts accruing PTO in the new plan year beginning July 27, 2024 (pay period 17).

Please note that if you intend to switch to the TBO or the MBO during the 2024 open enrollment period, you will not accrue the full 160 hours of vacation or PTO needed to cash out this amount. Therefore, you will need to pre-designate a combination of PTO and vacation to cash out the complete 160 hours.

Holiday Leave

You may elect to cash out up to 120 hours of holiday leave, or 112 hours for MBO enrollees, by exercising the following options:

- Option 1, Future Accruals – An employee must make an **irrevocable** election during the month of December specifying the number of hours to be sold back from the next calendar year's holiday leave accrual. Election must be made in increments of not less than eight (8) hours and may not exceed the annual amount to be accrued in a calendar year (i.e., 120 for the TBO and 112 for the MBO).
- Option 2, Existing Accruals – Existing accruals may be cashed out in whole hour increments with a minimum cash-out of eight (8) hours and will be subject to a 10% penalty.

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Administrative Leave

You may cash out up to 80 hours of administrative leave without pre-designation. The hours may be cashed out in whole hour increments with a minimum cash-out of one (1) hour. Any unused administrative leave balances remaining by pay period 26 of 2024 will be automatically cashed out.

To pre-designate vacation, holiday and/or PTO hours to cash out in calendar year 2024, you must complete the [Leave Cash-Out Pre-Designation Agreement for Calendar Year 2024 – Exempt and Board-Governed Exempt form](#) and submit it to your department payroll specialist by **Friday, December 29, 2023**.

To cash out the pre-designated hours during calendar year 2024, you must complete the [Leave Cash-Out Request – Vacation, Holiday, Administrative & Paid Time Off – Exempt and Board-Governed Exempt form](#) and submit it at least 15 days before the pay period in which you wish to receive the leave cash-out payment.

Please remember that pre-designation elections are **irrevocable** and at the end of calendar year 2024, all pre-designated hours that have not been used or cashed out will be *automatically* cashed out in pay period 26 of 2024.

Please contact Employee Benefits Manager, Joey Wong (909) 387-9675, if you have any questions regarding the pre-designation process, and contact your department payroll specialist directly for any assistance needed when you are ready to cash out leave during Calendar Year 2024.

Sincerely,

Alexander “Sandy” Meier
Interim Human Resources Division Chief
Employee Benefits and Services Division
Human Resources Department

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