



Illinois Heartland Library System

TO: IHLS Board of Directors
 FROM: Leslie Bednar
 DATE: February 16, 2022
 RE: Personal Leave Payout Upon Separation

Change to Personal Leave Policy

It was brought to our attention during the legal review of our Employee Handbook that personal time must be paid out to employees leaving the organization. Under the Illinois Wage Payment and Collection Act, it appears that personal leave would need to be paid out upon termination. Paid leaves such as sick leave do not need to be paid upon separation because the employee needs to be sick to take it. However, if the employee is free to use the time for any reason (going to an amusement park, fishing, taking a day off to relax), this is more like vacation pay/PTO which does need to be paid upon separation.

Personal Leave

Eligibility

Personal leave is provided for all employees, both full-time and part-time, and is available upon the first date of hire. For record-keeping purposes, IHLS will issue employees' personal leave up front as of July 1st of every fiscal year. Personal leave allotment begins upon hire or transfer into an eligible position, as noted above. Personal leave is prorated for new hires based on the employee start date.

Allotment Rate

Employee Type	Personal Leave
Employees working 40 hours a week	40 hours
Employees working 30-39 hours a week	Prorated *
Employees working 29 hours or less a week	16 hours

**For example, an employee who works 32 hours per week is eligible for 32 hours of personal leave (32/40* 40)*

Personal leave must be taken by the end of the fiscal year in which it is received, or it will be lost.

The following conditions apply to IHLS Personal Leave Policy. The highlighted text is proposed:

- To take personal leave, an employee must notify the supervisor prior to the day of absence, if possible, or satisfy the notification set forth in the Attendance Policy.

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- Although personal leave may be scheduled for use the day before or after a paid holiday or to extend vacations or weekends, this type of scheduling is dependent upon the advance approval of the supervisor. Consideration will be given to whether the hours can be covered by other staff members.
- Unused personal leave will be paid out upon termination.
- Personal leave will not be considered as time worked for the purpose of overtime calculations.
- Hours per week are based on the employee's offer letter or employee change form.

Board Action

The draft version of the Employee Handbook in your meeting packet includes the new proposed text. The Executive Committee approved the change at their meeting February 14, 2022. Because this represents a change in procedure it will ultimately require approval by the board.

Thank you for your consideration.