

# **PAID PARENTAL LEAVE – Policy and Procedures**

On November 5, 2002, the voters approved an amendment to the <u>City Charter</u> providing for Paid Parental Leave for City employees. This amendment provides compensation to supplement <u>State Disability Insurance (SDI)</u> and <u>Paid Family</u> <u>Leave (PFL)</u> payments, paid sick leave, vacation, compensatory time and other forms of paid leave to ensure that an employee will receive the equivalent of the employee's salary for up to twelve weeks while on qualifying approved leave following the birth, adoption, or placement of a child with the employee's family for foster care. It provides for an additional four weeks of benefits for employees who take leave for temporary pregnancy disability. On November 3, 2015, voters approved changes to the Paid Parental Leave program to allow employees to retain up to 40 hours of accrued sick leave while receiving this benefit, as well as to no longer require parents who both work for the City to split this benefits when required to split qualifying family medical leave.

This document provides information about the Paid Parental Leave amendment and sets forth the policies and procedures for its implementation.

# I. Paid Parental Leave Coverage and Benefits

# A. Existing Law

Under federal and state laws, employees are entitled to take an unpaid leave of absence for up to twelve weeks to bond with a child after birth or placement for adoption or foster care. Beginning in January 2004, California offers employees <u>Paid Family Leave (PFL)</u> benefits for up to six weeks for child bonding, in addition to benefits paid under the existing <u>State Disability Insurance (SDI)</u> program for pregnancy disability.

State law permits up to four months of leave in the event of pregnancy disability if the need for the leave is medically certified. This leave is also unpaid, but in most cases employees will be eligible for benefits under the <u>State's SD I pro gram</u>. Under the City's <u>Civil Service Rules</u>, employees who meet certain criteria may take up to a year of unpaid leave for child bonding, but the granting of this leave is discretionary.

# B. Benefits Added by Paid Parental Leave Amendment

For an employee who meets the eligibility criteria, the Paid Parental Leave amendment will supplement the employee's accrued paid leave and any state benefit (under <u>State Disability Insurance or the Paid Family</u> <u>Leave</u> program), so that the employee will receive the equivalent of his or her full salary, for up to twelve weeks (or sixteen if the employee is disabled by pregnancy, childbirth, or a related condition) while on approved parental leave.

# C. Eligibility

The Paid Parental Leave provisions apply to:

- Permanent, provisional, and exempt employees who (a) normally work at least twenty hours per week <u>and (b)</u> have completed six months of continuous service;
- Any other City employee (a) who has worked at least 1,040 hours in the twelve months prior to the leave <u>and (b)</u> whose average work week is at least twenty hours.

Continuous service is calculated from the date the employee was first appointed to City employment.

#### D. Types of Parental Leave Covered

## 1. Family Medical Leave

Paid Parental Leave in this category will be provided for up to twelve weeks in any twelve month period for employees who take leave pursuant to the Family and Medical Leave Act (FMLA), the California Family Rights Act (CFRA), or the <u>Civil Service Commission Rules</u> (Family Care Leave), for one of the following reasons:

- a. Birth of a child to the employee, the employee's spouse, or the employee's domestic partner;
- b. Placement of a child with the employee's family for adoption or foster care

For the purpose of these provisions, "domestic partner" has the same meaning as set forth in Administrative Code section 62.1.

# 2. Temporary Pregnancy Disability Leave

An additional four weeks of paid leave are available for employees who are unable to work due to pregnancy, childbirth, or related conditions and who are on leave under the California Pregnancy Disability Leave Law. The need for Temporary Pregnancy Disability Leave must be certified by a health care provider. Temporary Disability Leave benefits are available only to the temporarily disabled employee herself, and not to spouses or domestic partners.

# E. Benefits

# 1. Salary

The amendment supplements accrued paid leave and state benefits to provide up to twelve weeks of the employee's full regular base wage (sixteen weeks for temporary pregnancy disability). For the purposes of this amendment, "regular base wage" shall mean the hourly rate of pay multiplied by the employee's standard hours, not including premiums or regularly scheduled overtime.

# a. Exhaustion of Accrued Paid Leave is Required (Except Employees May Retain 40 Hours of Accrued Sick Leave)

Employees on approved Parental Leave must first exhaust all accrued paid leave, with the exception of 40 hours of accrued sick leave, (e.g. vacation, compensatory time, administrative or executive leave, floating holidays) before receiving any supplemental compensation. If an employee chooses not to exhaust these leaves, the total amount of the benefit for which the employee would otherwise have been eligible will be reduced by the amount of paid leave accrued by the employee as of the start of the leave.

# b. Parental Leave Benefit Supplements Other Types of Benefits

The amount of the supplemental compensation shall be reduced by any payment in lieu of compensation received by the employee from a federal, state or other local government agency while on Parental Leave (e.g. SDI, PFL, certain types of workers' compensation benefits).

An employee shall not receive supplemental compensation which would result in an employee receiving total compensation while on Parental Leave which is greater than the employee's regular base wage.

# c. Duration of Benefits

Supplemental compensation shall be provided for no more than twelve weeks for employees on approved Family Medical leave or sixteen weeks for employees on Temporary Pregnancy Disability Leave. For employees eligible for both Family Medical Leave and Temporary Pregnancy Disability

Leave, the supplemental compensation shall be provided for no more than sixteen weeks.

## d. Use of Accrued Paid Time in Previous Year

The twelve or sixteen week period shall be reduced by any paid leave taken after the birth of a child to the employee, the employee's spouse, or the employee's domestic partner, placement of a child with the employee's family for adoption of foster care, or temporary pregnancy disability within twelve months prior to the commencement of Parental Leave.

## e. Both Parents Qualify for Full Benefit If They Are Both City Employees

Parents of a new born, newly adopted or recently placed foster child who are both city employees can both receive the full twelve weeks of compensation allowed, and are not required to split the total of twelve weeks between them. This applies regardless of family medical leave splitting provisions in federal and state laws.

#### 2. Health Benefits

The City will continue to make contributions on behalf of an employee previously enrolled in a health plan with the <u>City and County Health Service System</u> during the period of Paid Parental Leave. The employee and his/her dependents will continue to be covered as long as the employee pays for any required employee contribution. Such contribution is usually a payroll deduction.

#### 3. Retirement

Retirement contributions and service credit will accrue on a pro rata basis. That is, contributions required by the <u>Charter</u> and/or the applicable <u>Memorandum of Understanding</u> will be based on the amount of paid leave and supplemental salary the City actually pays during the period of Paid Parental Leave. Service credit will also accrue on a pro rata basis. An employee who has questions regarding retirement contributions or benefits is encouraged to contact the <u>Retirement System</u> Office at 30 Van Ness Avenue, Suite 3000, (415) 487-7030, Monday – Friday, 8:00 a.m. – 5:00 p.m.

# 4. Accrual of Vacation and Sick Leave

Vacation and sick leave will continue to accrue during the period of Paid Parental Leave.

#### 5. Seniority

Paid Parental Leave shall not constitute a break in service for purposes of seniority. However, probationary periods may be extended based on criteria set forth in <u>Civil Service Commission Rules</u>, City or departmental policies, and/or applicable <u>Memoranda of Understanding</u>.

#### 6. Statutory Holidays

When an employee is not scheduled to work on a legal holiday that falls during an approved Paid Parental leave, that holiday is not counted as time used towards the total entitlement.

# 7. Application of Attendance Policy

Any leave taken by an employee that qualifies as Paid Parental Leave will not be counted in determining whether an employee has excessively used sick leave under that employee's department's attendance policy.

#### II. Procedures for Requesting Paid Parental Leave

# A. Giving Notice to the City

In all but a small minority of cases, employees will have advanced notice of their need for parental leave. Existing city policy requires that, except in the case of emergencies, such leave must be requested in advance, with the employee giving at least thirty days' notice. In the rare case when the need for leave is not foreseeable, employees must notify the Appointing Officer as soon as is practical.

#### **B.** Required Forms

#### 1. Employee Request for Family and Medical Leave Form

All employees wishing to receive Paid Parental Leave must complete a <u>Request for Leave and Leave</u> <u>Protections form</u>. Refer to section I.D.1 Family Medical Leave for leave details.

#### 2. Temporary Pregnancy Disability Leave

All employees wishing to receive Paid Parental leave as a result of a temporary disability due to pregnancy must complete a <u>Request for Leave and Leave Protections</u> form identifying Pregnancy Disability Leave. Refer to section I. D.2 Temporary Pregnancy Disability Leave for leave details.

#### 3. Acknowledgement Form

If an employee voluntarily separates from City employment within six months of returning to work after a Paid Parental Leave, the amount of supplemental compensation received will be treated as a loan. All employees who receive compensation under the amendment must execute an agreement providing for repayment in the case of such voluntary separation. The loan shall be payable with interest at a rate equal to the greater of a) the rate received for the concurrent period by the Treasurer's Pooled Cash Accounts or, b) the minimum amount necessary to avoid imputed income under the Internal Revenue Code of 1986, as amended from time to time, and any successor statute. Unless an alternative repayment schedule is agreed to by the City and the employee, the loan shall be payable in equal monthly installments over a period not to exceed five (5) years commencing thirty (30) days

## 4. Certification of Health Care Provider

Employees who need to take pregnancy disability leave are eligible for an additional four weeks of paid parental leave (up to a total of sixteen weeks). In order to be eligible for temporary pregnancy disability leave and the attendant paid benefit, an employee must provide <u>certification from her health care</u> provider that she is temporarily unable to work due to her pregnancy, childbirth, or a related condition.

A health care provider is defined as a doctor of medicine authorized by the State of California to practice medicine or surgery (as appropriate).

Employees who are not seeking additional leave for temporary pregnancy disability do not need to submit medical certification from a health care provider.

#### III. Contacts

For more information, contact the Department of Human Resources, Client Services Division.

#### IV. Attachments:

- 1. Paid Parental Leave Acknowledgement Form
- 2. Paid Parental Leave Repayment Election Form
- 3. <u>Request for Leave and Leave Protections Form</u>