

QUESTIONS ABOUT VTO

Voluntary Time Off

1) Q: Will Voluntary Time Off (VTO) salary savings, save jobs?

Potentially, depending on the level of participation, savings from VTO could help reduce the need for staff reductions in some departments.

2) Q: Are department heads, administrative management and elected officials participating in VTO?

All department heads and elected officials may participate in the VTO Program. Administrative Management participation is subject to department participation and approval of Dept Head or designee.

3) Q: Are all County employees participating in VTO?

Participation is at the discretion of department management and must be balanced against the operational needs of the department. Permanent full time/part time and probationary employees that are represented by employee groups who have authorized VTO for their membership are eligible to participate in VTO. (As of July 21, 2009, the VTO Program is approved only for employees represented by SEIU, WCE, SCPDIA, and those employees working under Salary Resolution. ESC members are currently eligible under the terms of their MOU, until further notice. Additional groups will be added as employee representatives approve participation for their members.)

4) Q: When may VTO be taken?

VTO is subject to approval and may be taken at the pre-arranged intervals or time periods, up to June 30, 2010.

5) Q: Does VTO affect my seniority or service hours?

No. VTO is time in pay status; therefore, VTO applies toward seniority, retirement, completion of probation, and merit increases.

6) Q: Does VTO reduce my benefits?

VTO will not reduce your benefits. The same level of benefits and deductions are maintained for health, vision, dental, life, and long-term disability insurance. Retirement, vacation, and sick leave accruals are also unaffected.

7) Q: Does VTO reduce my "Cash Allowance"?

No. Cash Allowance payments are not impacted by VTO because Cash Allowance is paid on all hours in pay status and VTO is considered as time in pay status.

8) Q: How is vacation buyback affected?

Vacation buyback will not be affected by VTO.

9) Q: How is Compensatory Time Off (CTO) buyback affected?

Cash out of CTO is not available to all employee groups. Groups with CTO buyback will be unaffected by VTO.

10) Q: How does VTO affect holiday pay?

VTO will not affect holiday pay.

11) Q: I'm extra help. Will I be eligible for VTO?

No, extra help employees do not have regular schedules and are not eligible to participate in the VTO program.

12) Q: Do federal/state taxes and FICA get reduced with VTO, or remain equal to gross pay?

VTO accumulation reduces gross pay; therefore, taxes are reduced.

13) Q: How does VTO affect or apply to leave without pay (LWOP) and/or FMLA leave?

Individuals on unpaid leaves are not eligible for VTO.

14) Q: If I'm called in during my VTO, am I paid overtime?

If you are called in during a time outside your regularly scheduled hours, and you work in a non-exempt (hourly) job classification, you will receive overtime only for hours you work over 40 per week.

15) Q: Who is eligible for Voluntary Time Off (VTO)?

Permanent full time/part time and probationary employees that are represented by employee groups who have authorized VTO for their membership are eligible for VTO.

16) Q: Is voluntary time off (VTO) truly voluntary?

Yes, neither management nor the employee can be forced into a VTO agreement. VTO requires agreement between the employee and management to determine the exact hours/days to be taken off.

17) Q: Does VTO affect my benefits or service credits?

No, VTO is considered as time in pay status for all purposes of benefits and time of service. Employees may reduce their work schedule, without a loss in their level of benefits, by not more than 25% of their FTE per pay period.

18) Q: Must VTO be used prior to vacation or compensatory time?

No, VTO may be granted without requiring employees to first use their accumulated vacation or comp time.

19) Q: Can VTO be revoked?

VTO may be revoked by the department head or designee for any reason.

20) Q: What is the smallest increment of time that can be taken off as VTO?

One-half hour.

21) Q: The documentation says that VTO does not affect the accumulation of time worked as far as retirement is concerned, however the documentation also says that gross pay is reduced and therefore tax deductions are reduced. Does this also mean that gross pay is reduced for purposes of the final year's compensation for those of us planning to retire in 2010? I don't see how a reduction in gross pay would not adversely affect my final year's compensation.

VTO will not reduce final compensation for retirement purposes.

Retirement wages are calculated by accumulating all regular earnings, pay status earnings, regular premiums, allowances, and other benefits such as county paid deferred comp that are considered wages for retirement compensation purposes.

Per the VTO agreement, the value of the VTO accumulated each payroll will be included in the wage base that is passed to retirement as final compensation. Employees will receive full service credit and full wage value in computing their final year's compensation for the purpose of retirement.

Gross wages for Federal, State, and FICA taxation are not the same as retirement wages. Only earnings that are constructively received can be taxed. VTO accumulated does not result in constructive receipt of earnings and therefore is not included in taxable wages each pay date. Furthermore, taxable wages are reduced by "pre-tax" deductions such as health insurance premiums, dental insurance premiums, retirement contributions, deferred compensation contributions, and a few other items that employees elect each year.

So, as you can see, retirement wages, and taxable wages are two separate calculations that happen each payroll and are reported to the appropriate systems such as retirement as governed by law, agreements, or plans.

21) Q: Are there restrictions placed on the department when they agree to approve VTO?

Yes. In order to maximize the savings from VTO, departments are agreeing to not use overtime or extra help to backfill time taken off for VTO. Additional department conditions in the approved VTO Program are as follows:

Department Conditions

a. Any VTO savings will remain within the department in which the VTO is taken.

- b. Departments by agreeing to an employee's participation in VTO are agreeing that they will not fill vacant positions in their departments in the same classifications and location of those employees that are participating in VTO. Departments may not use extra help in the same classifications and locations of employees they have approved to be in the VTO Program. If at such time, the department intends to fill vacant positions in the classifications participating in VTO, then the department shall suspend current employees' participation in the VTO program. Departments will not assign overtime to any employees in classifications participating in VTO except in emergencies.*
- c. Departments will consider, before approving any VTO request, the impact on revenues and reimbursements for VTO hours and only approve VTO requests that save money after taking into consideration the net impact of those revenue reductions.*