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FY 1986 TRIENNIAL PERFORMANCE AUDIT OF  
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
PHASE II FINAL REPORT  
ON EQUIPMENT MAINTENANCE ABSENTEEISM

OCTOBER 3, 1986

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*Price Waterhouse*



October 3, 1986

Mrs. Sharon Neely  
Manager, Transit Programs  
Los Angeles County Transportation  
Commission  
403 West Eighth Street, Suite 500  
Los Angeles, CA 90014

Dear Mrs. Neely:

Enclosed herewith is the finalized version of the FY86 Triennial Performance Audit Phase II report concerning maintenance employee absenteeism at the Southern California Rapid Transit District (SCRTD).

We would like to thank you, Los Angeles County Transportation Commission (LACTC) staff members and SCRTD staff members for the invaluable assistance provided us during the preparation of the report.

Very truly yours,

*Price Waterhouse*

Enclosures

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## **I. INTRODUCTION**

## I. INTRODUCTION

LACTC is the state-designated Regional Transportation Planning Agency (RTPA) and performs some functions of a Metropolitan Planning Organization (MPO) for the Los Angeles Region, as mandated in California's Transportation Development Act (TDA) of 1971, as amended in 1981. In accordance with its responsibility, LACTC contracted with Price Waterhouse for the conduct of this triennial performance audit. This Phase II report documents the findings, conclusions and recommendations in the Equipment Maintenance Absenteeism area of the Southern California Rapid Transit District (RTD). Two separate Phase II reports present the results of the other two tasks -- operator absenteeism and Workers' Compensation. A consolidated executive summary, incorporating all three tasks, has also been prepared under separate cover.

This introductory section briefly describes the Equipment Maintenance Absenteeism task background and objectives, and the report organization. Please note that the term maintenance, as used in this report, includes the Equipment Maintenance Department alone.

### A. BACKGROUND

Equipment maintenance contract employee absenteeism was identified in the Phase I performance audit as a high-priority function for inclusion in this, the second audit phase. Maintenance contract employee absenteeism has consistently remained at a high rate for the past six years. Unscheduled absenteeism costs RTD \$5.3 million annually, with an estimated 23 days of unscheduled absence per employee per year (up from 22 days in FY82). RTD's Equipment Maintenance absence rates are high relative to other government agencies. The Bureau of Labor Statistics reported time lost due to absences up until 1981. In 1979 and 1980 the

national absence rate reported for all government employees was less than 6 days per employee per year. The same rate was reported for all public transportation employees. In 1983 the City of Los Angeles reported that, on average, employees were absent just under 9 days per person per year (City of Los Angeles, Sick Time Use).

In response to this concern over absences, RTD is in the early stages of implementing an incentive program for absence reduction. RTD management has also had a disciplinary program for excessive absences for many years, and has been working to strengthen the program. Management is considering a number of additional programs to reduce absences and improve cost efficiency.

Recent improvements in the Vehicle Management System (VMS) and in the Human Resource Management Information System (HRMIS) make tracking absence trends easier. However, substantial work remains in giving adequate visibility to absence costs and losses. Maintenance management appears open to suggestions to better tie reporting systems with accountability for absence control. The HRMIS will significantly improve accountability through consistent reporting which is centrally controlled, and should ensure timely response to attendance records for all employees. Management has examined a number of absence reporting formats for enhancing visibility of attendance through the VMS program.

#### B. OBJECTIVES

The purpose of the Phase II review of the maintenance employee absenteeism is to better define the absence picture; analyze management's position of influence over absences; specify the supporting tools, controls and reporting requirements; and propose a cost/savings monitoring methodology. Our specific objectives in this phase are to:



- o Define the nature of absenteeism in terms of frequency distribution by employment class
- o Define levers or actions impacting relatively controllable absences
- o Recommend approaches to influence relatively controllable absences compatible with current RTD strategies and programs
- o Identify reporting requirements to support management controls
- o Develop a cost/savings monitoring approach for the Equipment Maintenance Department.

The review of maintenance absenteeism resulted in several recommendations that can positively affect absence control.

C. REPORT ORGANIZATION

Following this introduction, is the report of maintenance absenteeism findings, conclusions and recommendations. The report is organized into five additional sections:

- II. Maintenance Absence Characteristics which reviews absence definitions, historical absence rates, and profiles current absence.
- III. Contract, Work Rules, Programs which reviews the current labor contract provisions, work rules and management programs.
- IV. Maintenance Employee Absence Program Survey presents the approach and results of the transit operator survey conducted for this report.

- V. Suggested Approach to Absence Control reviews the current attendance programs in use for excellent attendance, occasional absences, and poor attendance records; and suggests additional programs and program enhancements for RTD's consideration.
  
- VI. Reporting and Costing recommends a definition for tracking and comparing absence rates, and defines an absence cost monitoring methodology.

## **II. MAINTENANCE ABSENCE CHARACTERISTICS**

## II. MAINTENANCE ABSENCE RESULTS

The purpose of this section of the report is to define the magnitude, frequency and distribution of absence by maintenance employee class. In support of this objective, absence results are examined in terms of definitions of absence, historical absence results and a profile of current maintenance absence, as noted below:

- o Absence Terminology -- This section defines the terms used in this report to describe maintenance employee absence.
- o Historical Absence Rates -- This section summarizes the findings from the FY86 Phase I performance audit and the prior (FY83) performance audit relative to maintenance employee absenteeism.
- o Current Absence Patterns -- This section presents a detailed analysis of RTD maintenance employee absences based on data supplied by the Equipment Maintenance Department from its Vehicle Management System (VMS). The key findings from this analysis include:
  - Absenteeism (i.e., chronic absence) is concentrated in a small portion of the maintenance employee workforce.
  - Absenteeism is distributed across all twelve operating divisions and South Park.
  - Sick leave is the largest single category of absence.

- The overall absence problem is characterized by incidents of five-days in duration.
- The use of scheduled leave appears to have no significant impact on absence rates.

The implications of these findings are described in Section V of this report in the context of potential strategies that the RTD should consider in reducing maintenance employee absenteeism. The details of these findings are presented below.

A. ABSENCE TERMINOLOGY

An important point of initiation for this report is to specify consistent terminology and define absence categories. The terminology used herein parallels that used by RTD's maintenance management, and includes:

- o Absence -- The Webster's dictionary defines absence as "the state or time of being absent." In our analysis of maintenance employee absences, we have interpreted absence to mean absent from the workplace. "Absence" is further qualified to exclude vacations and holidays, which are instead referred to as "scheduled leave."
- o Absenteeism -- The Webster's dictionary defines absenteeism as "chronic absence from work." The objective of this task is to define potential strategies which SCRTD may employ to reduce absenteeism. For the purposes of this report, RTD management and Price Waterhouse jointly agreed to define chronically absent as employees having 40 or more unscheduled absences in one year. This provides a reasonable target group for reduction of absenteeism.

- o Absence rate -- This refers to the number of days absent per maintenance employee per year. It is used to compare absence among types of maintenance employees, divisions and time periods.
- o Scheduled leave -- This term includes both holiday and vacation leave, which are employee benefits involving scheduled time off.
- o Unscheduled leave -- In SCRTD's Maintenance Department terminology, unscheduled leave incorporates all reasons for absence excepting vacations and holidays. The types of absences included are suspension, jury duty, early departure, late arrival, bereavement, training, sick, sick (hospital), military leave, occupational, non-occupational, off with permission, absent without leave (AWOL), RTD court appearances, union business, sickness in family, investigation and leave of absence.
- o Sick leave -- All absence data we received from the RTD includes sick leave as a major category of absence, and thus we rely on the RTD's definition of sick leave. This includes absences where the cause is attributed to the employee's illness.
- o Occupational injury -- Also known as industrial injury or injury on duty, this refers to absence caused by a disabling injury which occurred while a maintenance employee was on duty.
- o Off with permission -- This refers to an absence initiated by a maintenance employee, usually unpaid, and subject to the approval of the individual's supervisor.
- o Absent without leave (AWOL) -- This refers to a maintenance employee who fails to notify his/her supervisor

either by telephone, telegraph, or in person as soon as possible after their scheduled report time of their absence. Employees who are AWOL may be subject to disciplinary action.

- o Other leave -- This refers to unscheduled maintenance employee absences resulting from jury duty, bereavement, non-occupational injuries, and sickness in family. No further types of unscheduled leave are included in this category.

The pay and disciplinary provisions related to these absence categories in the RTD-ATU and RTD-BRAC contracts are further defined in Section III of this report.

#### B. HISTORICAL ABSENCE RATES

Maintenance employee absence rates have been a matter of some concern to management over several years at RTD. One measure of absence rates, historically used by RTD management, is the number of unscheduled absence days per maintenance employee per annum. Unscheduled absence days include benefits, legal and disciplinary leave as noted in the prior section. Maintenance employees, for the purposes of this historical review, include mechanics, servicers and clerical staff dedicated to the maintenance department.

Maintenance employee absence rates have grown by almost 15 percent between the period FY80 and FY86, as shown in Exhibit II-1. Over the past six years, unscheduled absence rates have increased from 20 days per employee to about 23 days per employee.

In the past year, maintenance management has taken positive action to reverse the historical absence trend. In the fall of 1985, the Maintenance Department implemented an incentive program for excellent attendance. In winter of 1986, the District established a program of progressive discipline for poor attendance.

MAINTENANCE EMPLOYEE UNSCHEDULED ABSENCE RATESFY80 TO FY86<sup>(1)</sup>

<u>Division</u>	<u>Unscheduled Absence Days Per Maintenance Employee</u>				
	<u>1980(2)</u>	<u>1981(2)</u>	<u>1982(2)</u>	<u>1985(3)</u>	<u>1986(4)</u>
301 (Alameda)	19.8	20.7	23.1	23.1	19.6
302 (Los Angeles)	32.7	23.3	24.7	18.0	-
303 (Cypress Park)	19.5	18.6	20.6	25.3	23.1
305 (South Central)	16.0	18.8	21.6	22.8	22.8
306 (Venice)	16.1	21.3	18.7	28.8	29.6
307 (W. Hollywood)	22.1	21.5	21.2	30.1	31.3
308 (Chatsworth)	16.1	17.2	18.0	27.1	18.2
309 (El Monte)	17.6	17.2	18.7	22.9	18.1
310 (E. Los Angeles)	-	-	-	32.4	24.8
312 (Long Beach)	21.2	19.9	19.2	24.0	27.6
314 (South Park)	-	-	-	19.1	20.6
315 (Sun Valley)	15.9	13.7	22.3	16.3	19.9
316 (Pomona)	-	-	-	29.7	24.7
318 (South Bay)	23.1	24.7	25.7	27.7	28.9
Department- wide	20.0	19.7	21.1	23.1	22.9

- 
- (1) Excludes FY83 and FY84 due to a lack of available data. This period encompasses the change period from manual data capture and compilation to use of the Vehicle Management System (VMS).
- (2) Data from FY83 Performance Audit Report; based on manual compilation of unscheduled absence occurrences.
- (3) Data from FY86 Phase I Performance Audit Report, based on routine report from the Vehicle Management System (VMS). Because this data represents the initial use of VMS for this purpose, some data entry errors may have occurred.
- (4) Date provided by RTD for the Phase II analysis. Covers period May 1, 1985 to April 30, 1986.



A modest decline in absence rates occurred between FY85 and FY86, resulting in about 310 fewer absence days, albeit it is too early to evaluate the effectiveness of recent management initiatives in absence control.

Another interesting absence characteristic apparent in the historical profile is that the range of absence rates among divisions has narrowed over the past six years. In FY80, the worst performing division incurred an absence rate 105 percent higher than that at the best division. In FY86, that margin was reduced to 73 percent. Absence rates still vary by division, and absence rate changes are not consistent (i.e., some divisions show substantial improvements during the same time period that others show worsening trends).

#### C. PROFILE OF CURRENT ABSENCE RATES

A profile of RTD maintenance employee absences was developed to help determine where RTD management efforts to reduce absenteeism should be targeted. The profile is based on maintenance employee attendance and work records obtained from RTD's Vehicle Management System (VMS) for the period May 1985 through April 1986. This data was prepared through the cooperative efforts of the Equipment Maintenance Department based on a special request from Price Waterhouse. We have not independently verified that the data conforms entirely to the specifications provided the RTD. We believe, however, that the data was prepared with RTD's best efforts and is sufficiently accurate (given comparability with previous absence records discussed in Section B) to support the conclusions drawn in this report.

A detailed profile of current absence patterns identifies some promising avenues for improving RTD maintenance employee attendance as well as factors which apparently do not affect absence rates. The profile consists of five parts, the principal findings of each include:

- o Service attendants lead the maintenance ranks with an absence rate of 30 days per servicer per year. They are followed by BRAC employees and mechanics at 22 and 20 days, respectively. Non-contract staff average 9 days of absence per person per year. Sick leave is by far the major contributor to absences, comprising three-quarters of all days lost due to unscheduled absence.
  
- o Most maintenance employees have good to excellent attendance records. About seven percent of total employees had perfect attendance all year; and 60 percent averaged less than 12 unscheduled days of absence per person per year. The worst-performing 20 percent of employees accounted for more than half the total days lost in the department, indicating that absenteeism problems reside in a limited proportion of the workforce.
  
- o Absence rates do not appear to have a causal relationship with the location of work (i.e., division), the size of the workforce assigned to a location or the ratio of supervisors to staff. While absences are higher in some divisions over some time periods, absence rates by division change over time in both absolute terms and in relation to one another, suggesting that the causal factors are something other than location. Absenteeism (which is defined as 40 or more days of unscheduled absence per employee per year for the purposes of this study) permeates all divisions in the case of mechanics and service attendances, five divisions in the case of BRAC employees, and no divisions with respect to non-contract staff. In aggregate, 11 percent of maintenance employees qualify as chronically absent.

- o The most common incident of absence is five days in duration, by cause of sickness. Five-day absences account for more than one-third of total absence days in the Equipment Maintenance Department. Only one percent of total absence days are due to incidents exceeding five days in duration. One-day absences are minor for mechanics and servicers, who are not eligible for sick pay on the first day unless hospitalized.
- o Maintenance absences are seasonal in nature, based on the results of this study, but have no significant relationship to scheduled leave. Absence peaks are generally consistent across employee classes.

1. Absence Rates by Employee Class

Absence rates per maintenance employee (discussed previously in Section II.B) indicate overall absence growth, but tend to conceal the location of absences. Maintenance employees comprise four employee classes, each with different skill requirements and job responsibilities. Correspondingly, each employee class is characterized by divergent absence rates, as shown in Exhibit II-2. Service attendants (including utility employees) lead the maintenance ranks with an absence rate of 30 days per employee per year. They are followed by clerical employees (i.e., BRAC) at 22 days and mechanics at 20 days. Non-contract staff (i.e., management) have low absence rates, averaging 9 days per employee per year.

Absences by type, also shown in Exhibit II-2, reveal that sick leave is by far the largest contributor to absences. The breakdown by type of absence for the overall maintenance department is as follows:

DAYS LOST PER EMPLOYEE BY CLASS

	<u>Days Absent Per Employee Per Annum (FY86)</u>			
	<u>Mechanics</u>	<u>Service Attendants</u>	<u>B R A C</u>	<u>Non-Contract</u>
Sick	14.21	21.29	15.79	7.64
Occupational	2.83	4.69	1.12	0.03
Off with Permission	0.99	1.23	1.63	0.34
AWOL	0.13	0.13	0.26	0.01
Other <sup>(1)</sup>	1.90	2.74	3.14	1.17
Total	20.06	30.08	21.94	9.19

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(1) Other absences are limited to sickness in family, bereavement, non-occupational and jury duty.

o Sick	71.2%
o Occupational	13.8%
o Off with Permission	4.7%
o AWOL	0.6%
o Other	9.7%

While it is clear that service attendants have the highest overall absence rate, the employee class with the greatest potential payoff through absence reduction is mechanics, as shown in Exhibit II-3. Sixty percent of the total days lost are attributable to mechanics, and fully 65 percent of the total cost of maintenance absences stems from mechanic absences.

## 2. Distribution of Absences in the Workforce

Most maintenance employees, in each employment class, have good to excellent attendance records. Absenteeism is concentrated in a small portion of the workforce. This finding is illustrated in Exhibits II-4, II-5, II-6 and II-7 for mechanics, service attendants, clerical employees (BRAC) and non-contract staff, respectively. This type of distribution expresses the percentage of total absences (in terms of days lost) attributable to a given percentage of maintenance employees, where employees are sorted from best (no absences) to worst (up to 365 days of absence) relative to attendance.

The results of the absence distribution analysis are summarized on Exhibit II-8, and discussed below:

- o About seven percent of total maintenance employees had perfect attendance over the entire year.
- o Sixty percent of the total maintenance employees had good attendance -- falling below 12 days per person per year.

TOTAL DAYS LOST DUE TO ABSENCE

	<u>EMPLOYEE CLASS</u>			
	<u>Mechanics</u>	<u>Service Attendants</u>	<u>B R A C</u>	<u>Non-Contract</u>
Days Absent per Employee	20.06	30.08	21.94	9.19
Total employees	1,091	405	74	109
Total days lost	21,885	12,182	1,624	1,002
Cost of absences <sup>(1)</sup>	\$3,490,000	\$1,577,000	\$193,000	N.A.

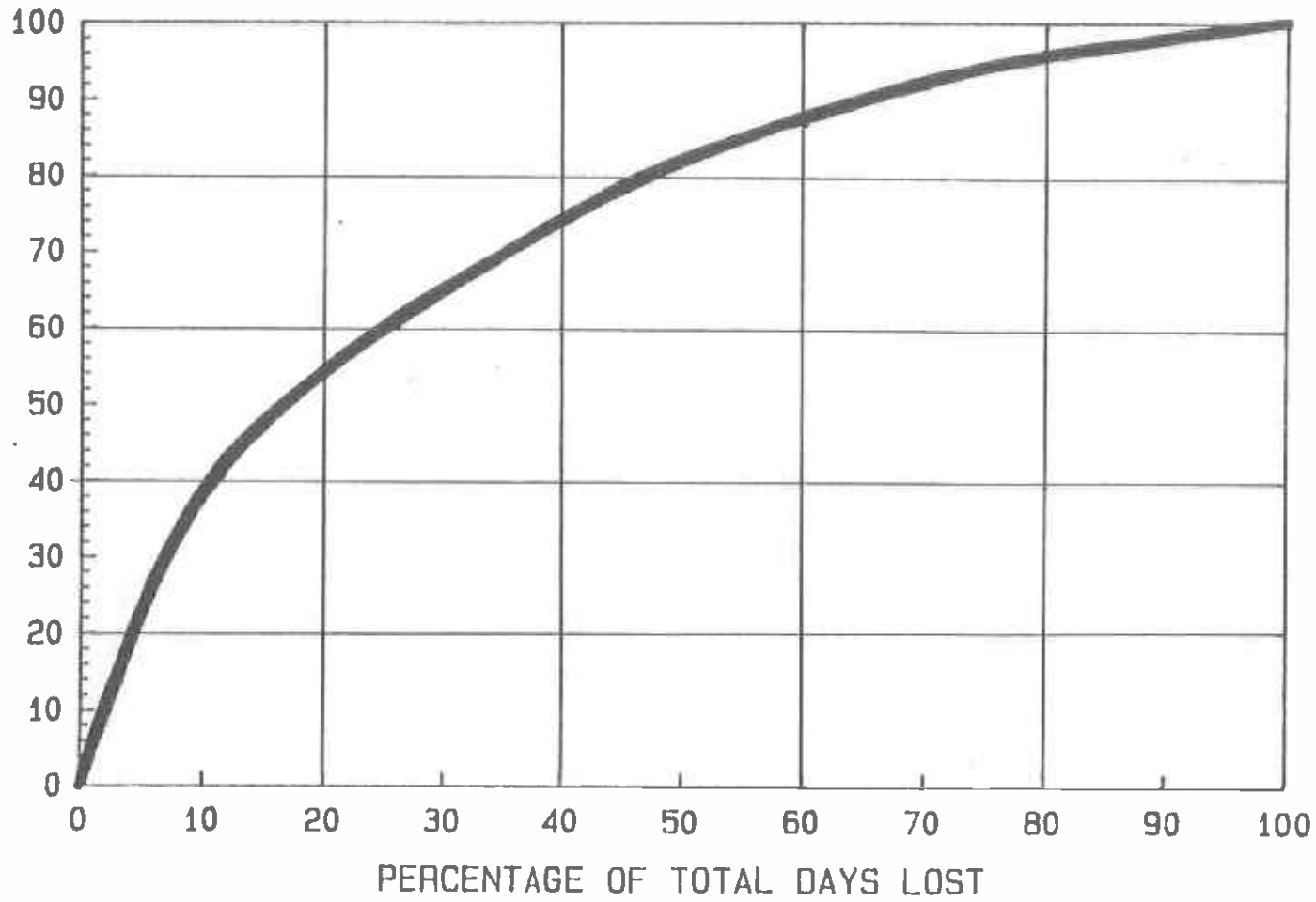
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(1) Cost includes fixed cost of additional employees to cover absences, variable wages and benefits costs, and overtime premiums. Absence costing is discussed in greater detail in Section VI of this report.

N.A. Not available.

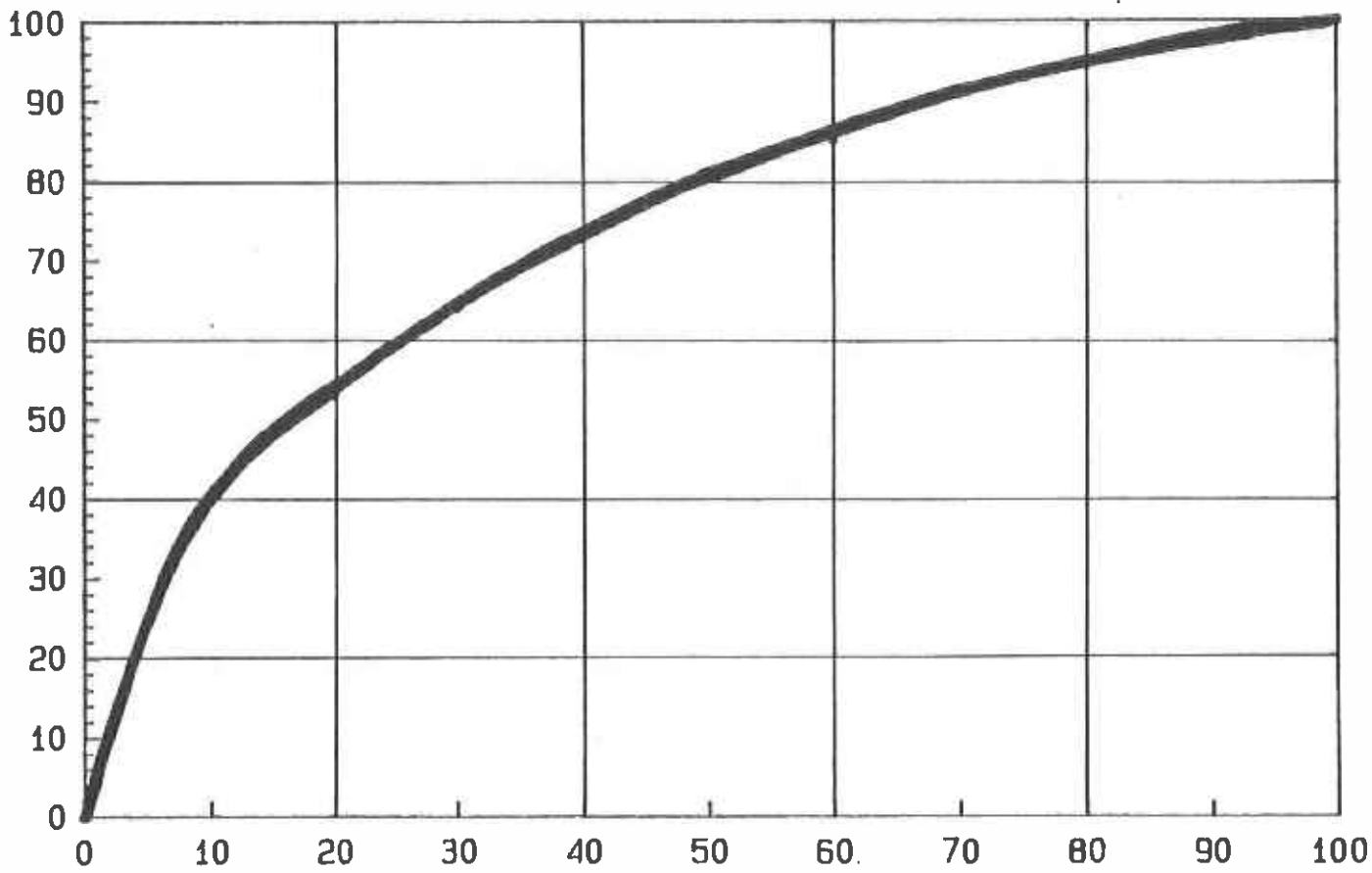
# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DISTRIBUTION OF ABSENCE IN THE MECHANIC WORKFORCE

PERCENTAGE OF MECHANICS



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DISTRIBUTION OF ABSENCE IN THE SERVICE ATTENDANT WORKFORCE

PERCENTAGE OF SERVICE ATTENDANTS

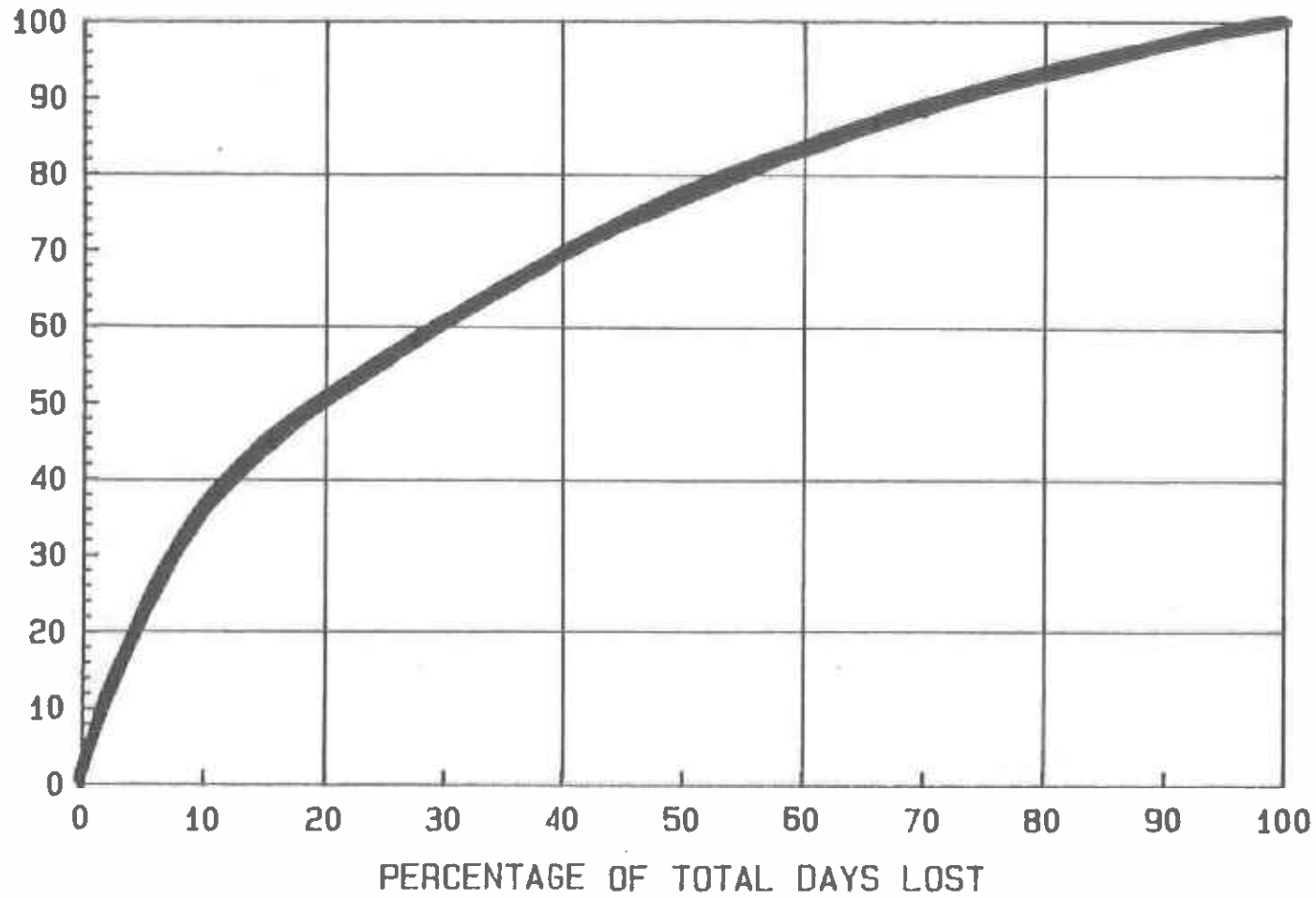


PERCENTAGE OF TOTAL DAYS LOST



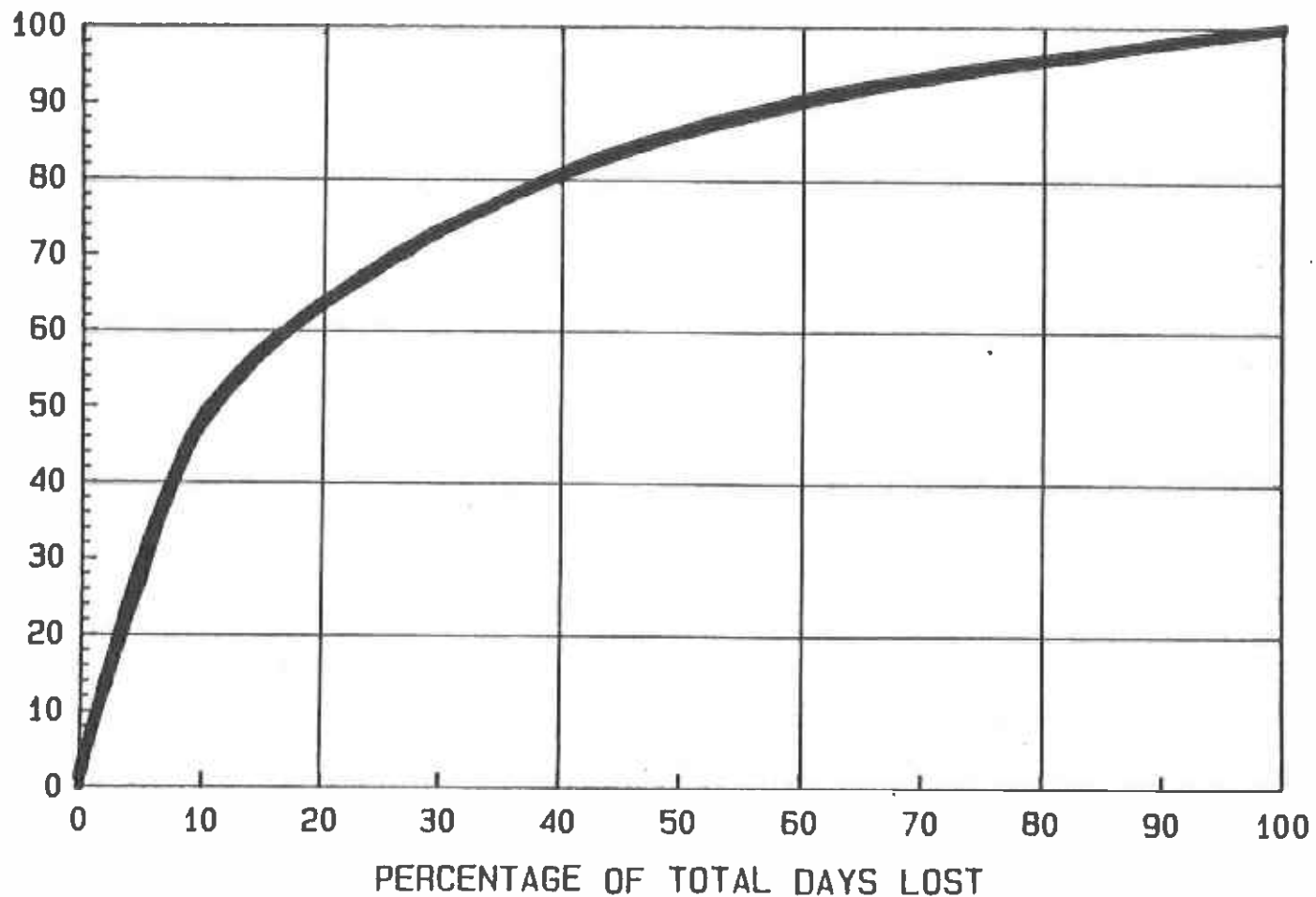
# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DISTRIBUTION OF ABSENCE IN THE BRAC EMPLOYEE WORKFORCE

PERCENTAGE OF BRAC EMPLOYEES



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
DISTRIBUTION OF ABSENCE IN THE  
NON-CONTRACT EMPLOYEE WORKFORCE

PERCENTAGE OF NON-CONTRACT EMPLOYEES



SUMMARY DISTRIBUTION OF ABSENCES IN WORKFORCE

	EMPLOYEE CLASS			
	<u>Mechanics</u>	<u>Service Attendants</u>	<u>B R A C</u>	<u>Non-Contract</u>
1. Percent employees with perfect attendance	6.2%	6.4%	7.7%	16.7%
2. Best performing 60 percent of employees				
a. Percent total absence account for	26%	26%	29%	17%
b. Average days absent	7.9	11.6	8.3	2.4
3. Next 20 percent of employees				
a. Percent total absence account for	22%	24%	24%	23%
b. Average days absent	19.7	32.0	21.3	9.5
4. Worst-performing 20 percent of employees				
a. Percent total absence account for	52%	50%	45%	60%
b. Average days absent	52.2	68.1	39.1	24.9
5. Worst-performing 10 percent of employees				
a. Percent total absence account for	35%	32%	24%	40%
b. Average days absent	62.6	85.6	51.6	33.3

- o The next 20 percent of employees were marginally poor performers in all employee classes, accounting for roughly one-fourth of total department absences.
- o The worst-performing 20 percent of employees relative to attendance accounted for more than one-half of the total days lost in the department, creating significant work scheduling and cost problems for management.
- o The worst-performing 10 percent of employees placed an even greater relative burden on resource management -- accounting for one-third of the total annual days lost.

These results suggest that RTD may require three separate strategies to invoke improvements in each major employee performance class (i.e., good to excellent attendance, marginally poor attendance, and chronic absence). The findings also indicate that the greatest overall improvement in attendance can be gained by focusing attention on those relatively few employees who are responsible for most of the absence days lost.

### 3. Distribution of Absences by Work Location

Absence rates were analyzed by work location (the twelve operating divisions and South Park) to determine if location is a significant factor in explaining the differences in absence rates and absenteeism. Additionally, absence rates were compared to the span of control at divisions as measured by total maintenance employees assigned, and the ratio of maintenance staff to supervisors, to determine if absences are related to the scale of operations. This review found no significant statistical relationships indicating that absence or absenteeism is driven by work location, staff size or supervision. While absences are widely varied at divisions, the relationship of absence rates amongst divisions changes over time. This indicates that absence rates are not heavily influenced by location, and suggests that

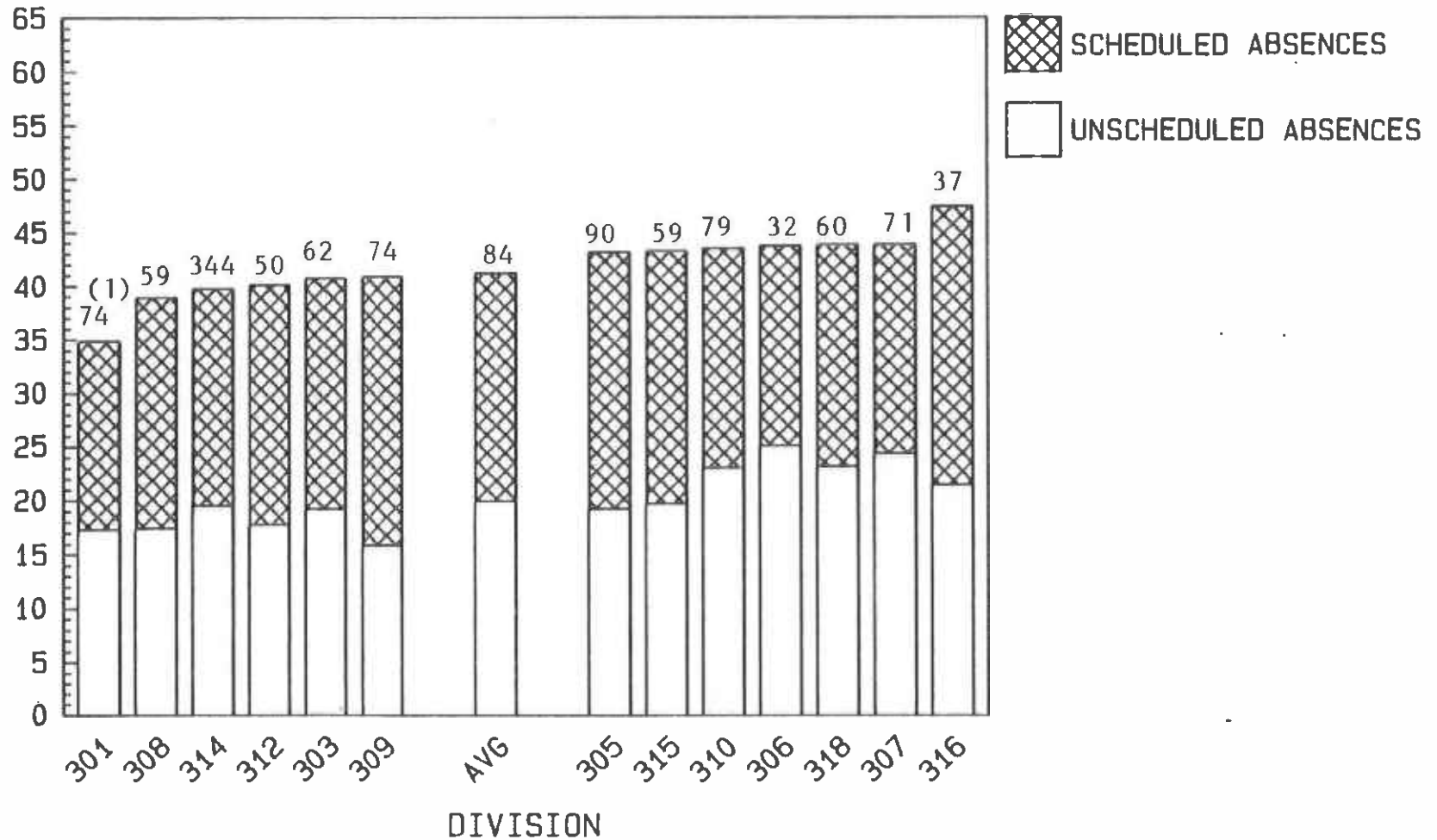
other, non-locational factors (e.g., seniority, type of shift worked) have a stronger influence on absence than does location. RTD, as a future course of action could evaluate these factors, using HRMIS capabilities to pinpoint factors contributing to absence performance. This analysis should be conducted well in advance of the next contract negotiations to identify controlling strategies (e.g., Fall 1987).

Average scheduled and unscheduled days lost per employee, shown in Exhibits II-9, II-10 and II-11 by employee class, indicate the following:

- o Mechanics -- Unscheduled absence rates by division range from 16 days (division 309) to 24 days (division 307), with an average of 20 days lost per mechanic per year. Total days unavailable for work ranges from 35 days per mechanic per year (division 301) to 47 days (division 316). There is no relationship between scheduled and unscheduled days off by division. Finally, workforce size does not appear to influence absences in any significant manner.
- o Service Attendants -- Unscheduled absence rates by division range from 20 days (division 308) to 48 days (division 307), averaging 30 days per service attendant per year. Total days unavailable (including scheduled and unscheduled leave) ranges from 34 days per employee (division 308) and to 64 (division 307). There is no relationship between scheduled and unscheduled absences at the division level. Further, workforce size has no discernable impact on absence rates.
- o BRAC Employees -- Unscheduled absences by division range from 9 days per employee (division 307) to 34 days per employee (division 303), averaging 22 days per employee. Total days unavailable range from 30 days

# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT SCHEDULED AND UNSCHEDULED ABSENCES BY DIVISION MECHANICS

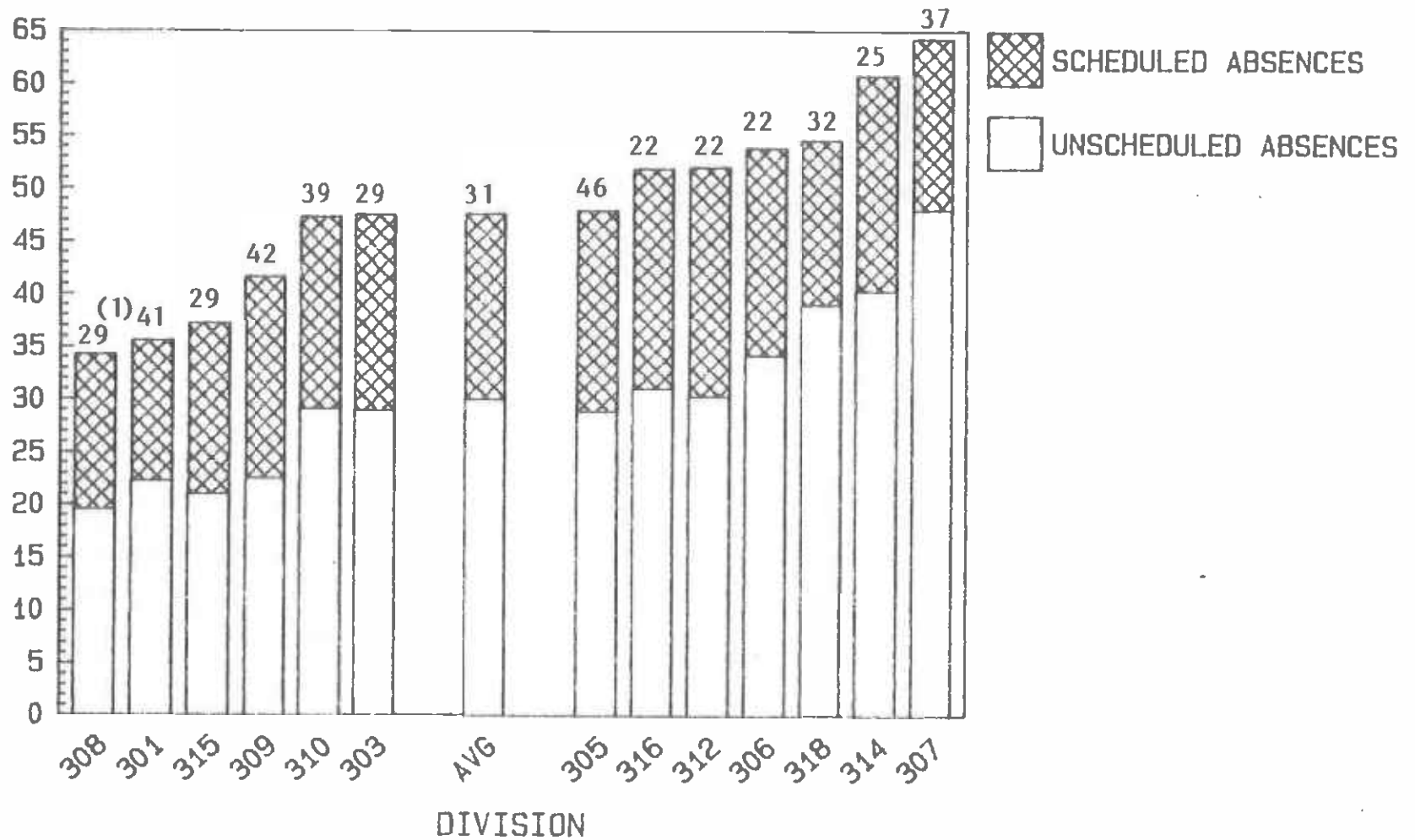
AVERAGE DAYS LOST PER EMPLOYEE



(1) Numbers above bars represent number of employees assigned to division.

## SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT SCHEDULED AND UNSCHEDULED ABSENCES BY DIVISION SERVICE ATTENDANTS

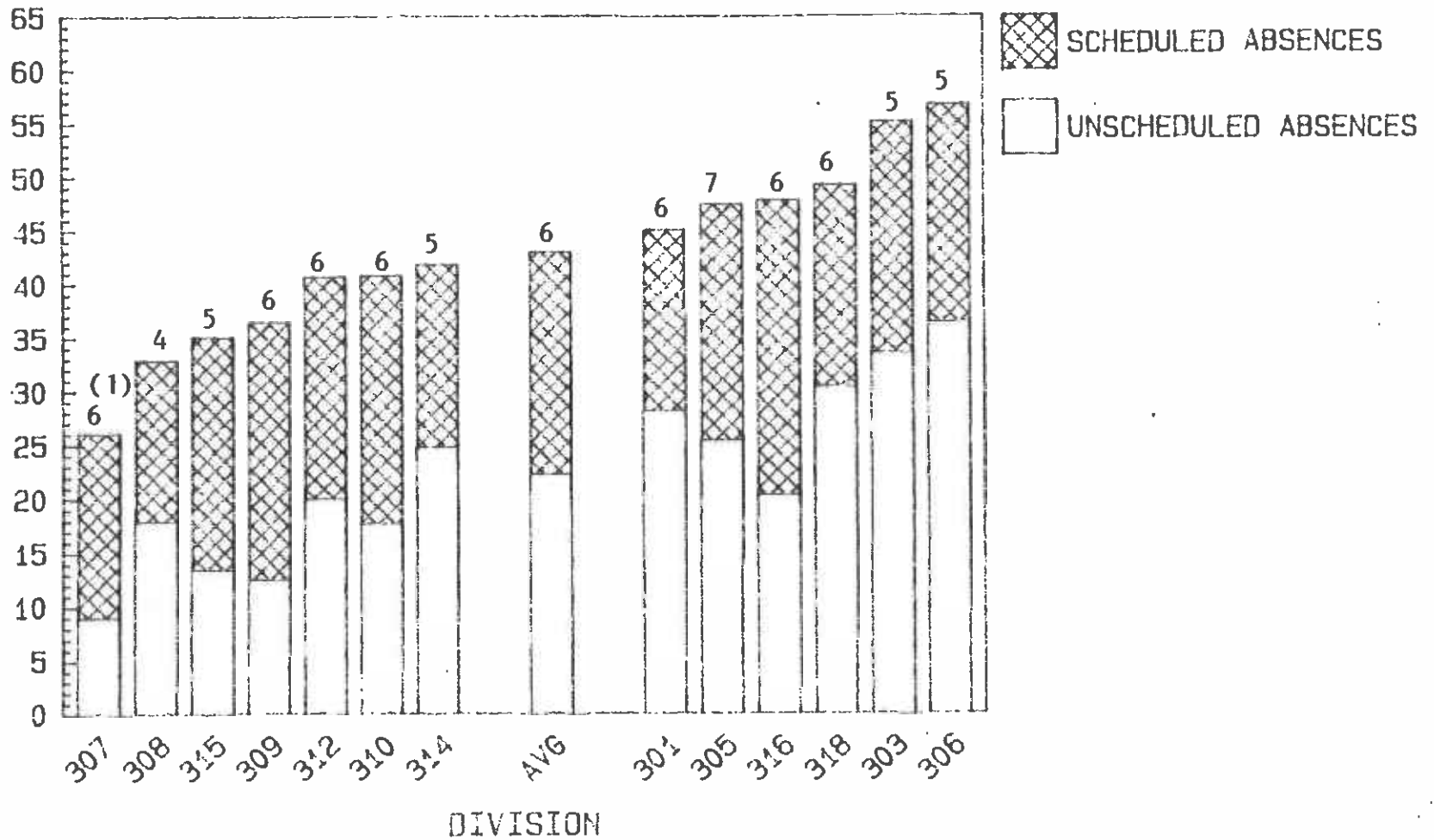
AVERAGE DAYS LOST PER EMPLOYEE



(1) Numbers above bars represent number of employees assigned to division.

# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT SCHEDULED AND UNSCHEDULED ABSENCES BY DIVISION BRAC

AVERAGE DAYS LOST PER EMPLOYEE



(1) Numbers above bar represent number of employees assigned to division.



(division 308) to 57 days (division 306). Again, there is no relationship between scheduled and unscheduled lost time at the division level. Although work group size is relatively consistent by division, absence rates vary substantially showing no relationship between work group size and absence rates.

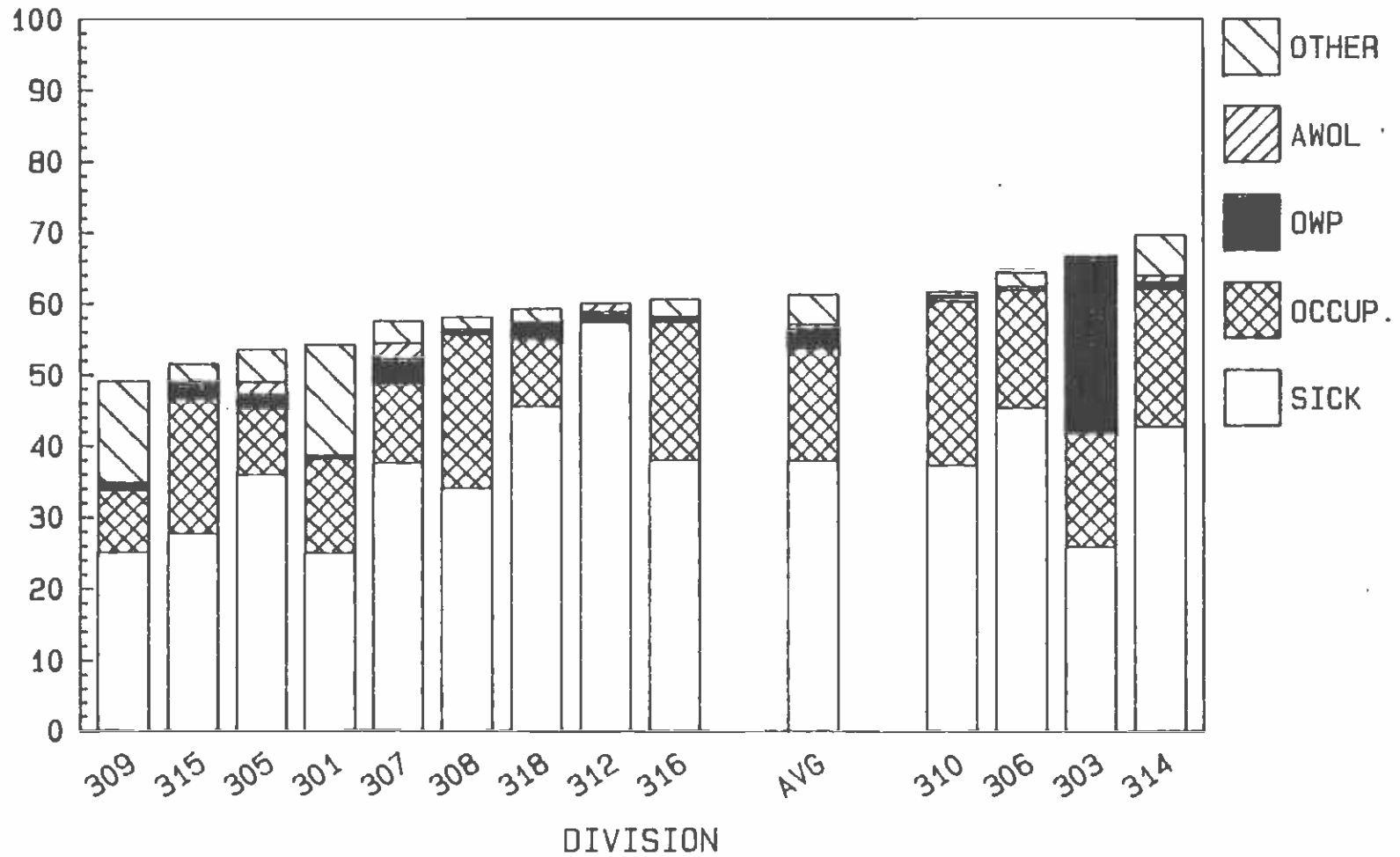
Mechanic and service attendant performance is similar to most divisions with respect to attendance. Divisions 308, 309 and 301 are amongst the best performers with respect to unscheduled absence rates, and divisions 306, 307 and 318 are amongst the highest in unscheduled absence rates for both employee classes. BRAC employees do not approach this same level of consistency with the other two groups. For example, division 301 has amongst the lowest absence rates for mechanics and service attendants and yet is amongst the highest for BRAC. Conversely, division 307, which has one of the highest unscheduled absence rates for mechanics and service attendants, has the lowest incident of absence for BRAC employees.

Another way to examine the impact of work location on absence rates is to examine just those employees with chronic absences -- which for the purposes of this study we defined as 40 or more unscheduled days of absence per employee per year. This translates to 11 percent of the mechanic workforce, 22 percent of the service attendant workforce, and 0 percent of non-contract staff. In total, 205 maintenance employees classify as chronically absent, or 11 percent of the total maintenance department workforce.

Absenteeism (i.e., chronic absences) occur in all divisions, as illustrated in Exhibits II-12, II-13 and II-14 for mechanics, service attendants and BRAC employees, respectively. With the exception of BRAC and non-contract staff, all divisions have employees who are chronically absent. As shown in the exhibits,

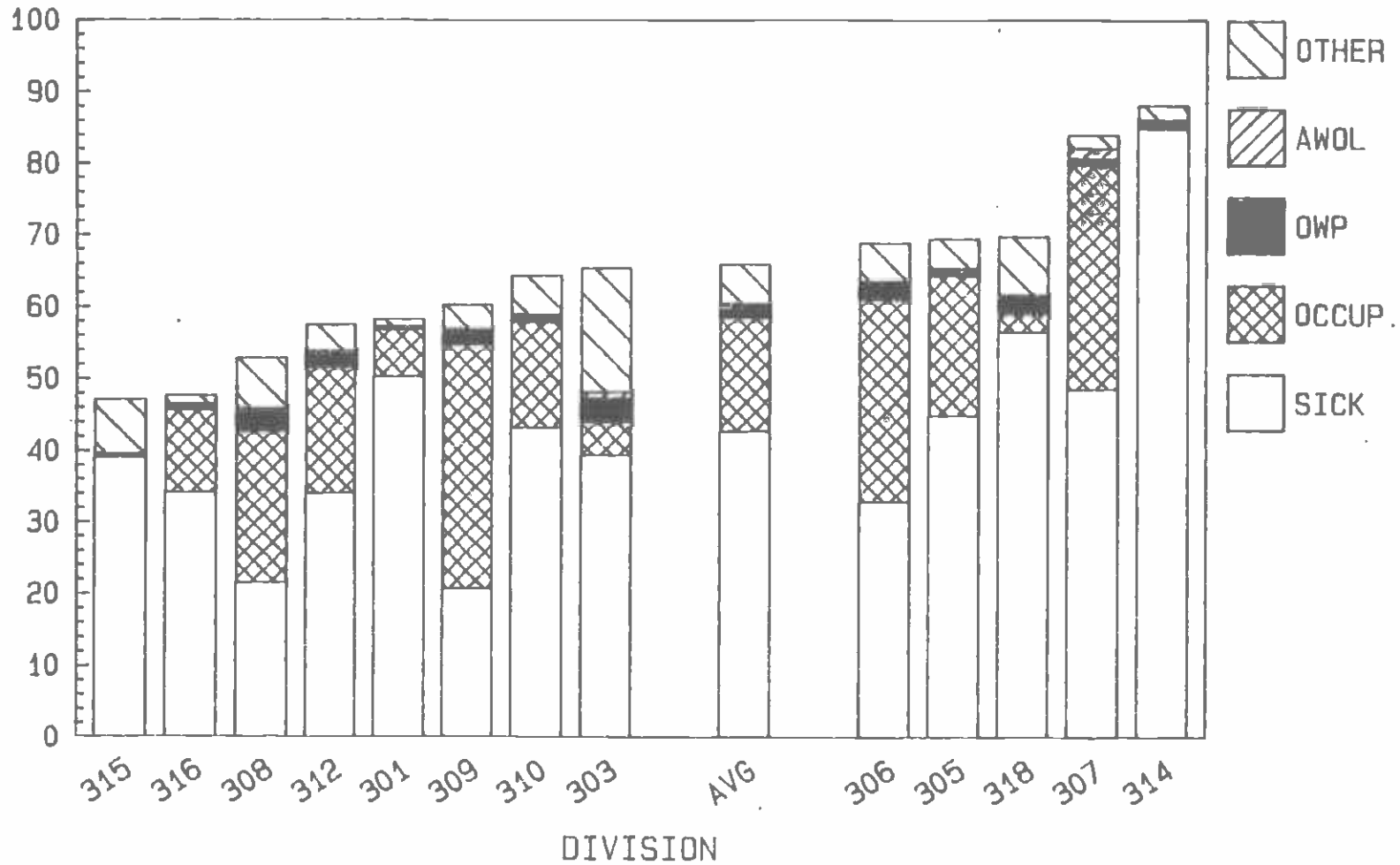
# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT MECHANIC ABSENCES BY DIVISION MECHANICS WITH 40 OR MORE DAYS ABSENT

ANNUAL DAYS LOST



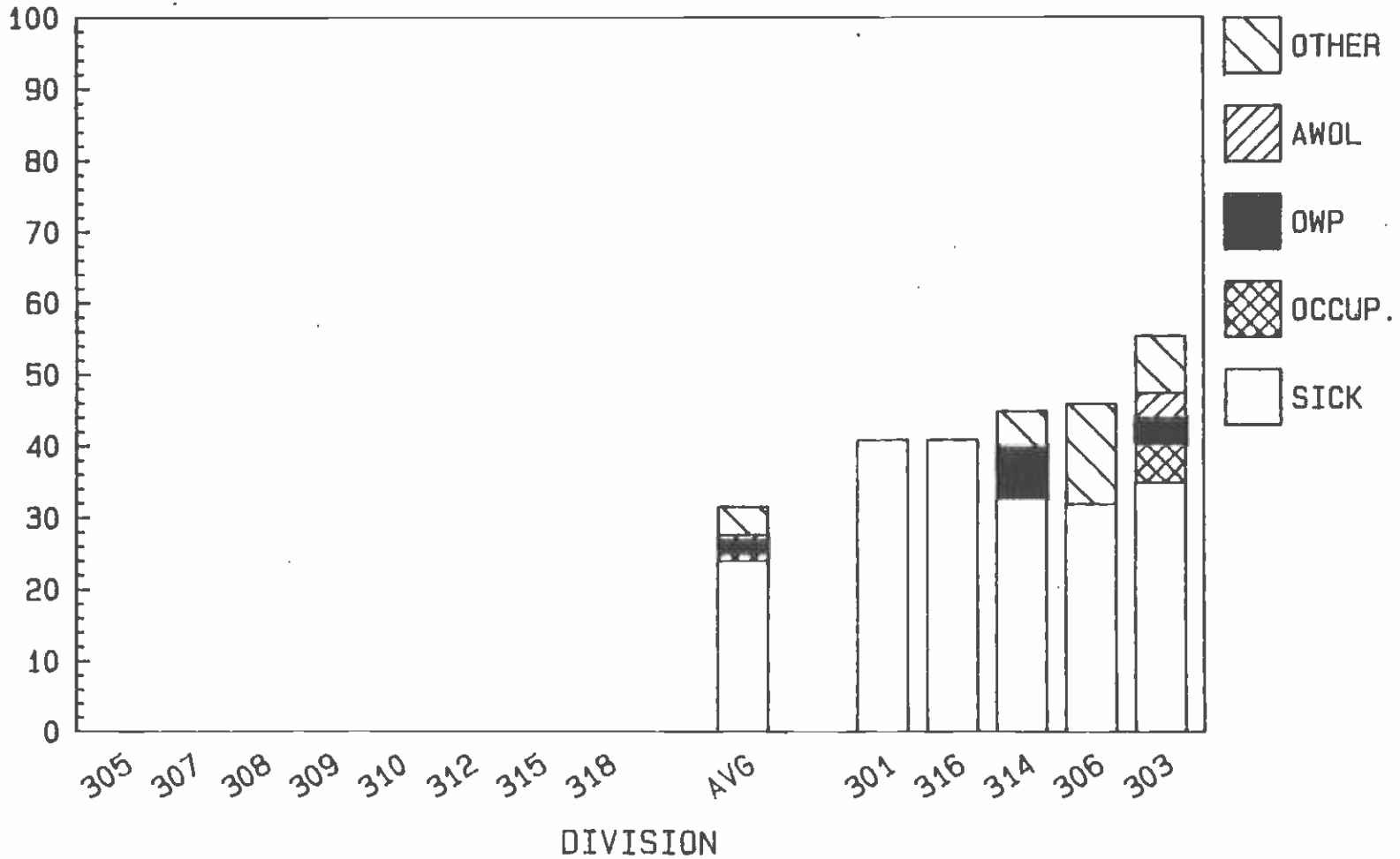
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
 SERVICE EMPLOYEE ABSENCES BY DIVISION  
 SERVICE EMPLOYEES WITH 40 OR MORE DAYS ABSENT

ANNUAL DAYS LOST



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT BRAC EMPLOYEE ABSENCES BY DIVISION BRAC EMPLOYEES WITH 40 OR MORE DAYS ABSENT

ANNUAL DAYS LOST



sick leave is the primary contributor to absenteeism. In addition to identifying days lost due to sickness as a primary target for improvement, the profile of chronic absences warrants some investigation by RTD management. For mechanics, division 303 appears to have a high instance of "off with permission" relative to other divisions. For service attendants, occupational absences appear to be focused on divisions 309, 307 and 306. For BRAC employees, only five divisions surpass the chronic absence level -- mostly due to sick leave.

#### 4. Duration of Absences

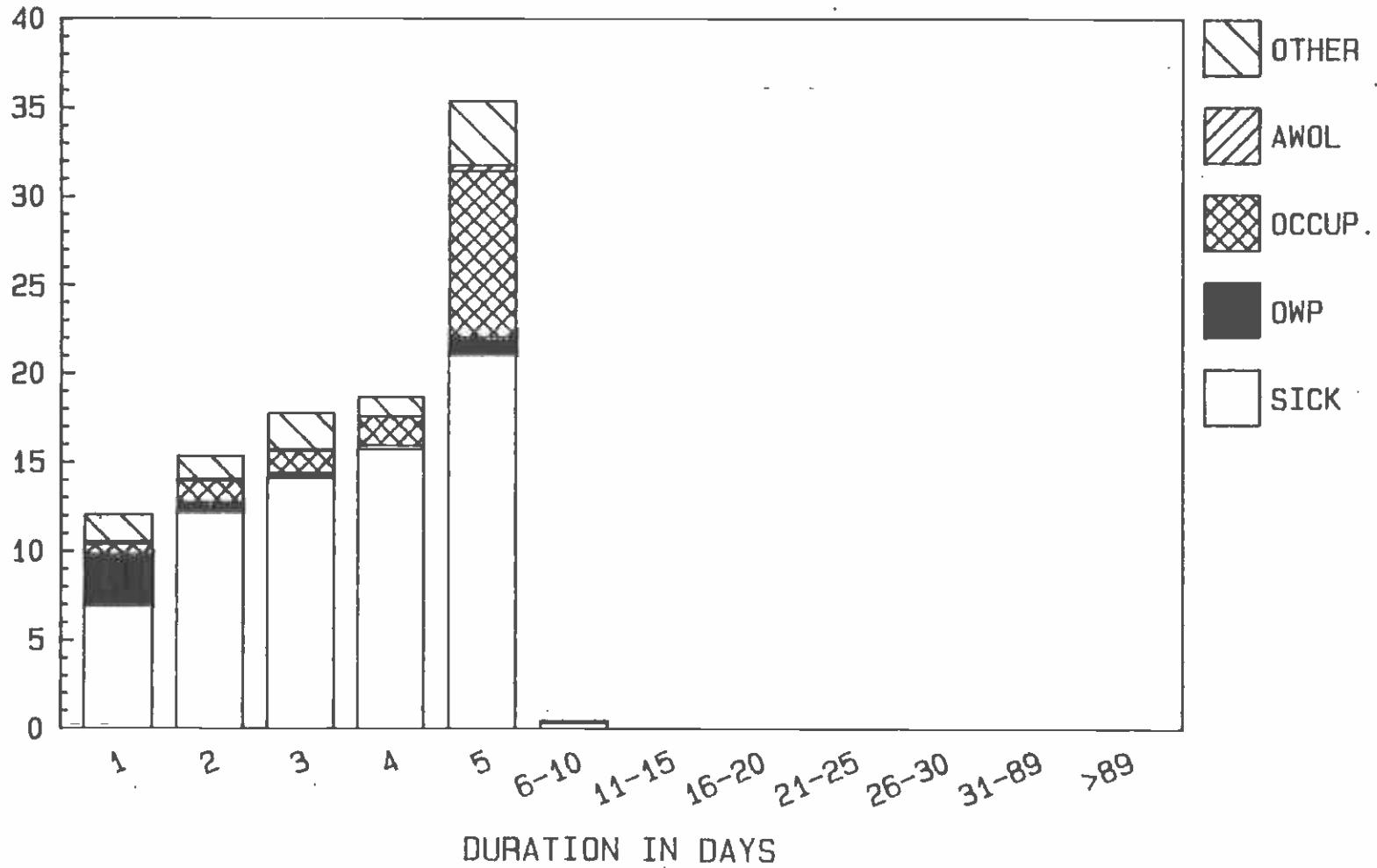
The duration of absences refers to the number of consecutive work days that a person is absent from work. It is useful to review the total days lost to absence in this context to identify areas of focus for absence control efforts.

The duration of absences for mechanics, service attendants, BRAC and non-contracts are illustrated in Exhibits II-15, II-16, II-17 and II-18, respectively. The results indicate that absence control efforts should be focused on five-day absences:

- o Absences totaling five days in duration are by far the most common type of absence incident within the RTD Maintenance Department, accounting for more than one-third of total absence days lost.
- o Fully one-quarter of total absence days are due to five-day sick leave incidents.
- o About one percent of total maintenance absences exceed five days in duration.
- o BRAC employees have more than double the incidence of one-day sick leave occurrences compared to that of

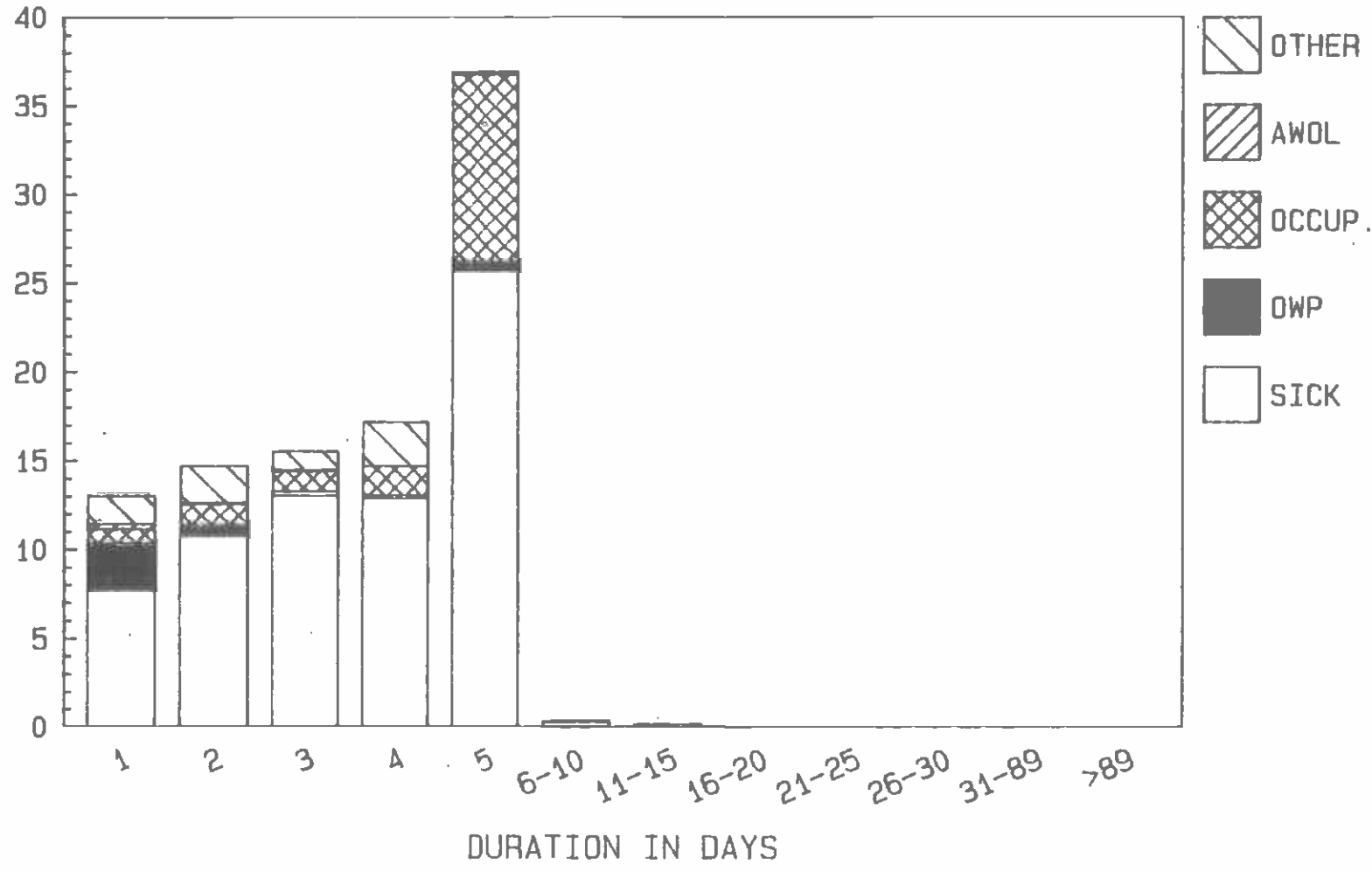
## SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF MECHANIC ABSENCES ALL MECHANICS

PERCENTAGE OF TOTAL DAYS LOST



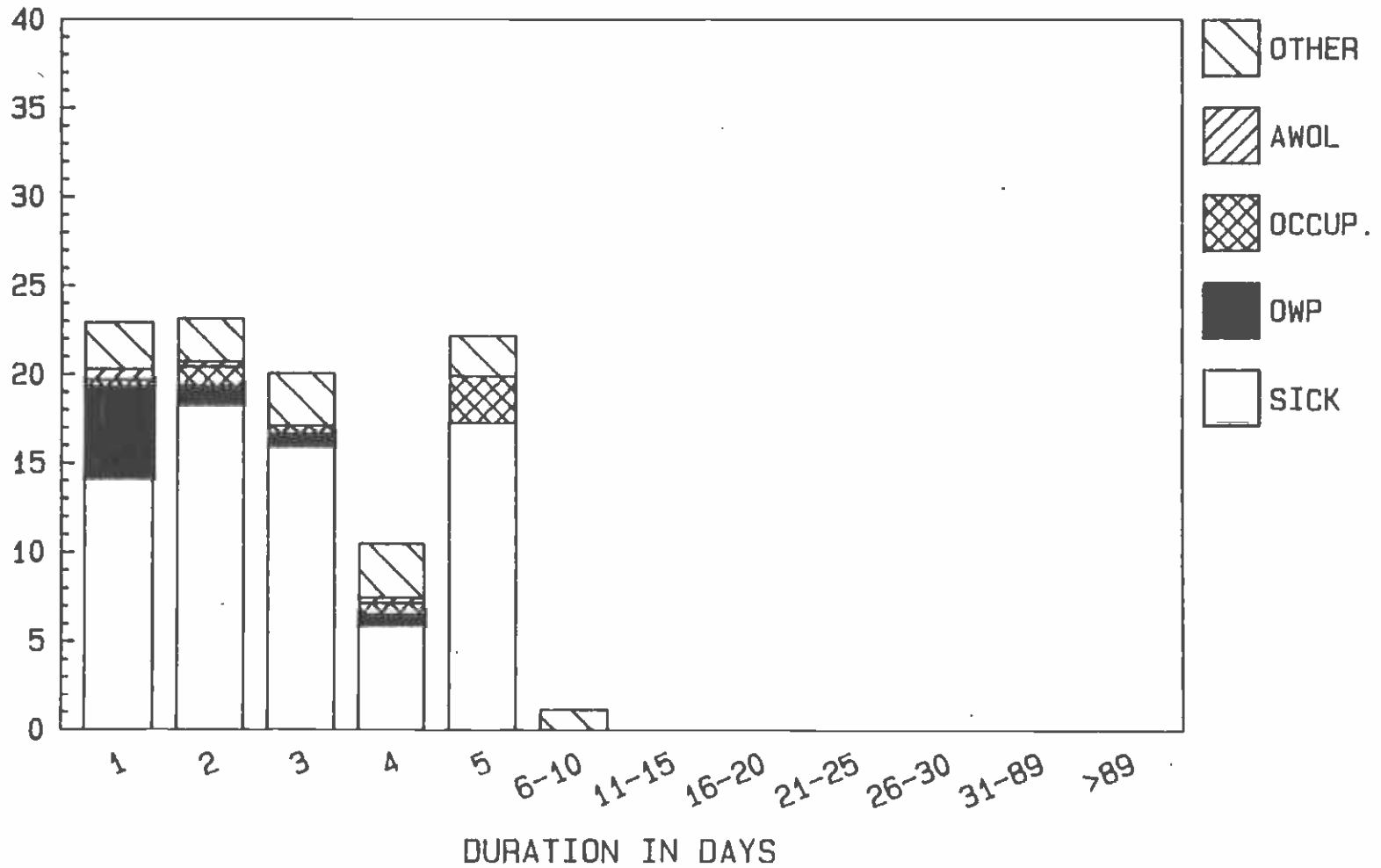
# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF SERVICE EMPLOYEE ABSENCES ALL SERVICE EMPLOYEES

PERCENTAGE OF TOTAL DAYS LOST



## SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF BRAC EMPLOYEE ABSENCES ALL BRAC EMPLOYEES

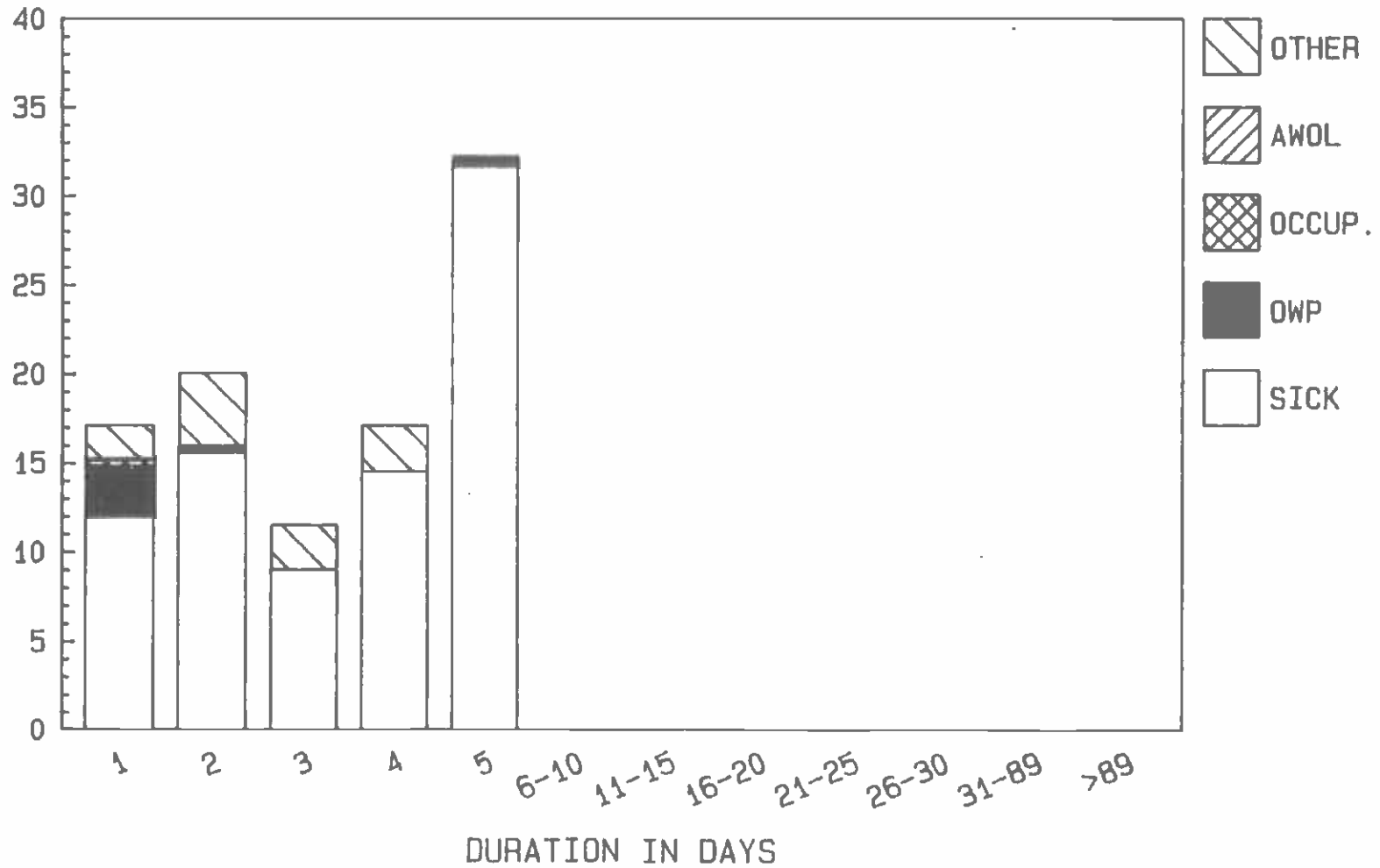
PERCENTAGE OF TOTAL DAYS LOST





# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF NON-CONTRACT EMPLOYEE ABSENCES ALL NON-CONTRACT EMPLOYEES

PERCENTAGE OF TOTAL DAYS LOST



other contract staff. BRAC employees are eligible for sick pay benefits on the first day of absence, while mechanics and service attendants are not.

The duration of absences of employees with 40 or more days of absences in FY86, shown in Exhibits II-19 through II-22, indicates a pattern similar to department-wide employees:

- o Nearly two-thirds of the total absence days lost for chronically absent employees are five-day absences. Sick leave is the leading cause of five-day absences.
- o About one percent of total absence days for this group exceed five-days in duration.
- o The total proportion of one-day absences is about half that of department-wide employees, and there is no significant difference between BRAC employees and other maintenance employees with more than 40 absent days per year.

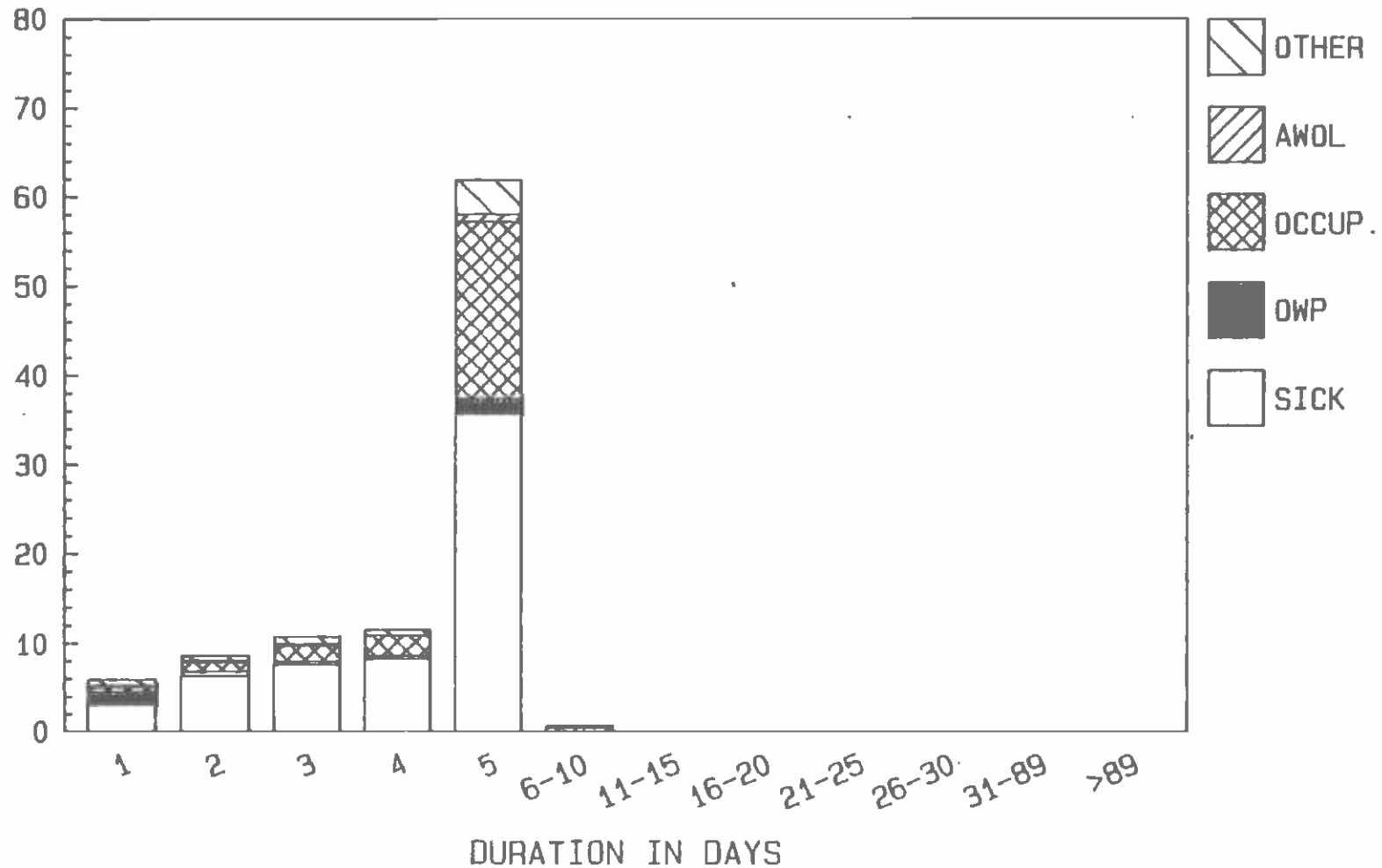
These findings reinforce five-day absences as being a primary target for improvement, which appear to be concentrated amongst employees with 40 or more absence days in the study year.

The duration information also defines the average number of incidents of absence per employee per year. Average incidents are largely similar across employee classes:

- o Mechanics at 5.8 incidents per year
- o Service Attendants at 6.2 incidents per year
- o BRAC employees at 6.0 incidents per year
- o Non-contract staff at 5.2 incidents per year.

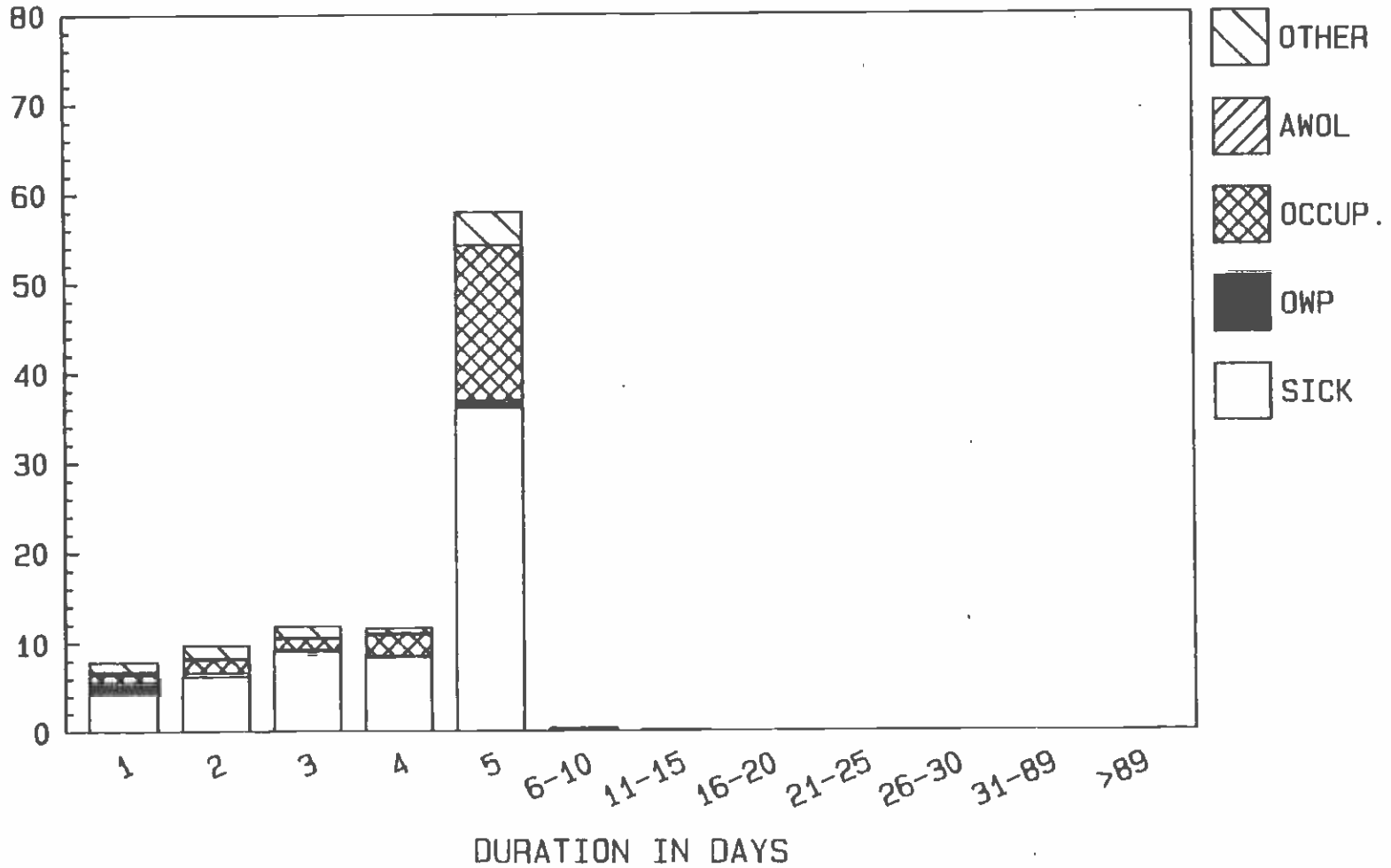
## SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF MECHANIC ABSENCES MECHANICS WITH 40 OR MORE DAYS ABSENT

PERCENTAGE OF TOTAL DAYS LOST



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
 DURATION OF SERVICE EMPLOYEE ABSENCES  
 SERVICE EMPLOYEES WITH 40 OR MORE DAYS ABSENT

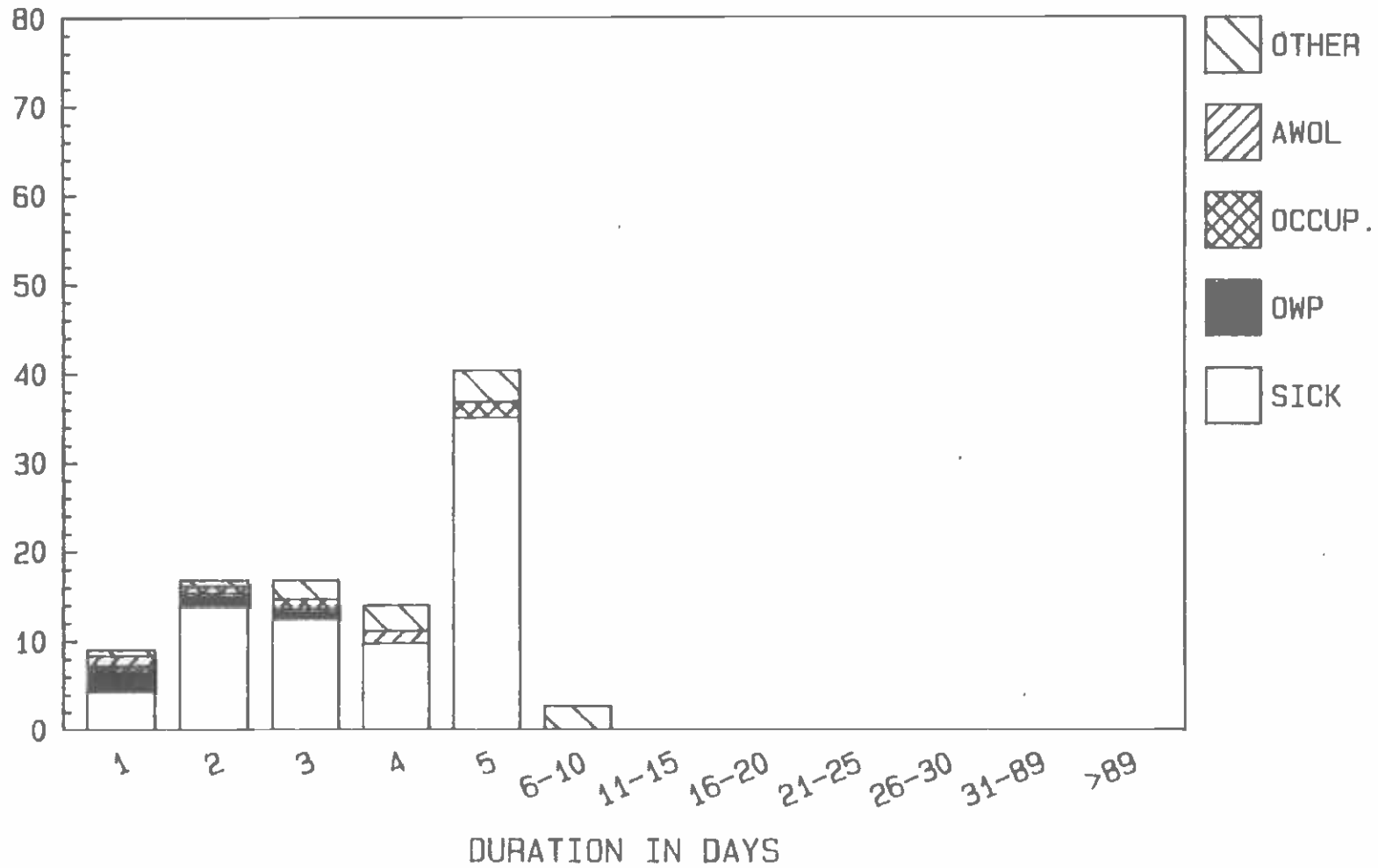
PERCENTAGE OF TOTAL DAYS LOST



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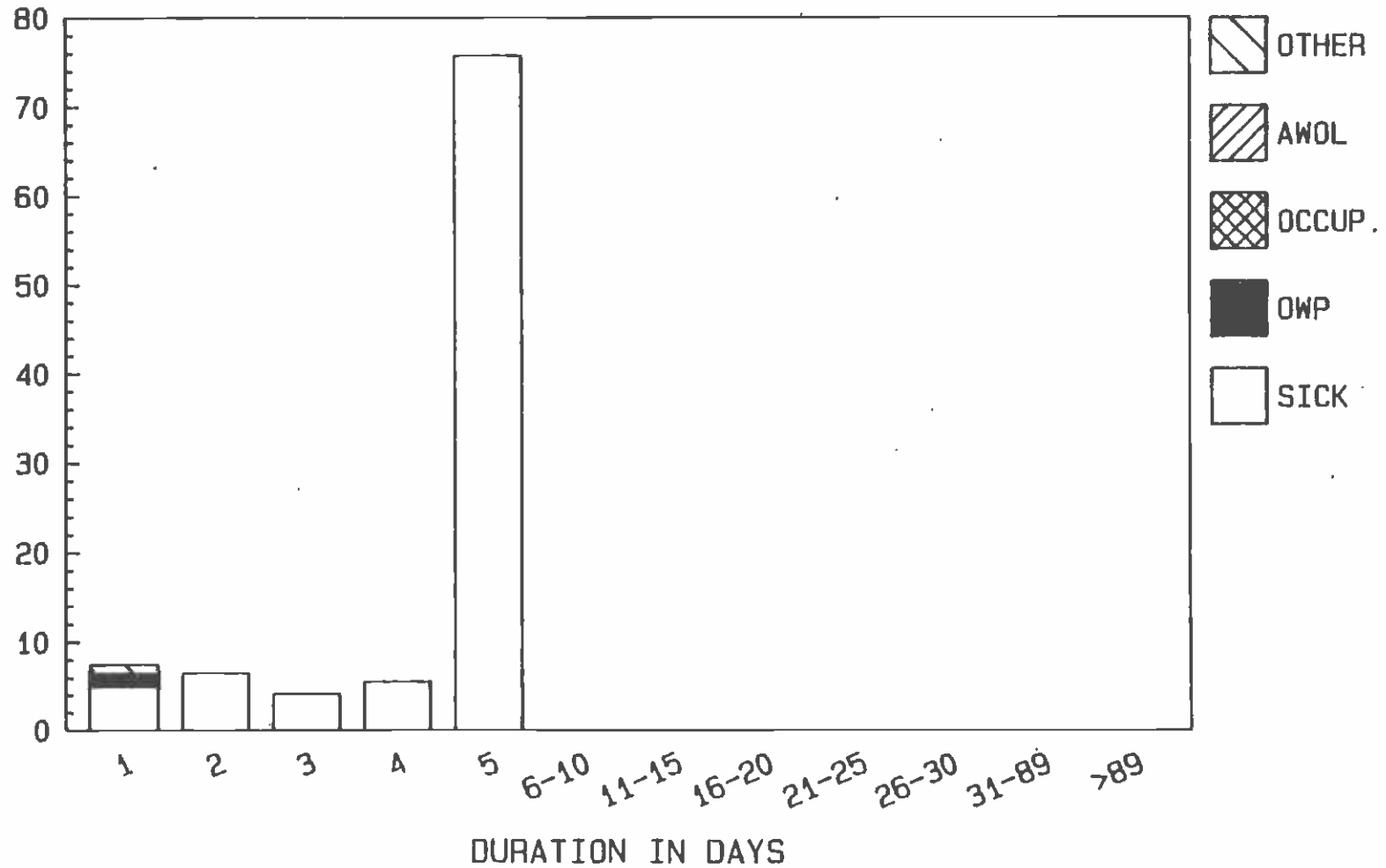
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
 DURATION OF BRAC EMPLOYEE ABSENCES  
 BRAC EMPLOYEES WITH 40 OR MORE DAYS ABSENT

PERCENTAGE OF TOTAL DAYS LOST



# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT DURATION OF NON-CONTRACT EMPLOYEE ABSENCES NON-CONTRACT EMPL. WITH 40 OR MORE DAYS ABSENT

PERCENTAGE OF TOTAL DAYS LOST



### 5. Relationship of Absences to Scheduled Leave

Maintenance employee absences were compared to scheduled leave (vacations and holidays) on a monthly basis to determine whether the availability of scheduled leave had any influence on absence rates. This was deemed to be a possibility due to the large portion of five-day absences. An inverse relationship between unscheduled absences and scheduled leave was expected, which would illustrate an increase in absence rates when scheduled leave was less available.

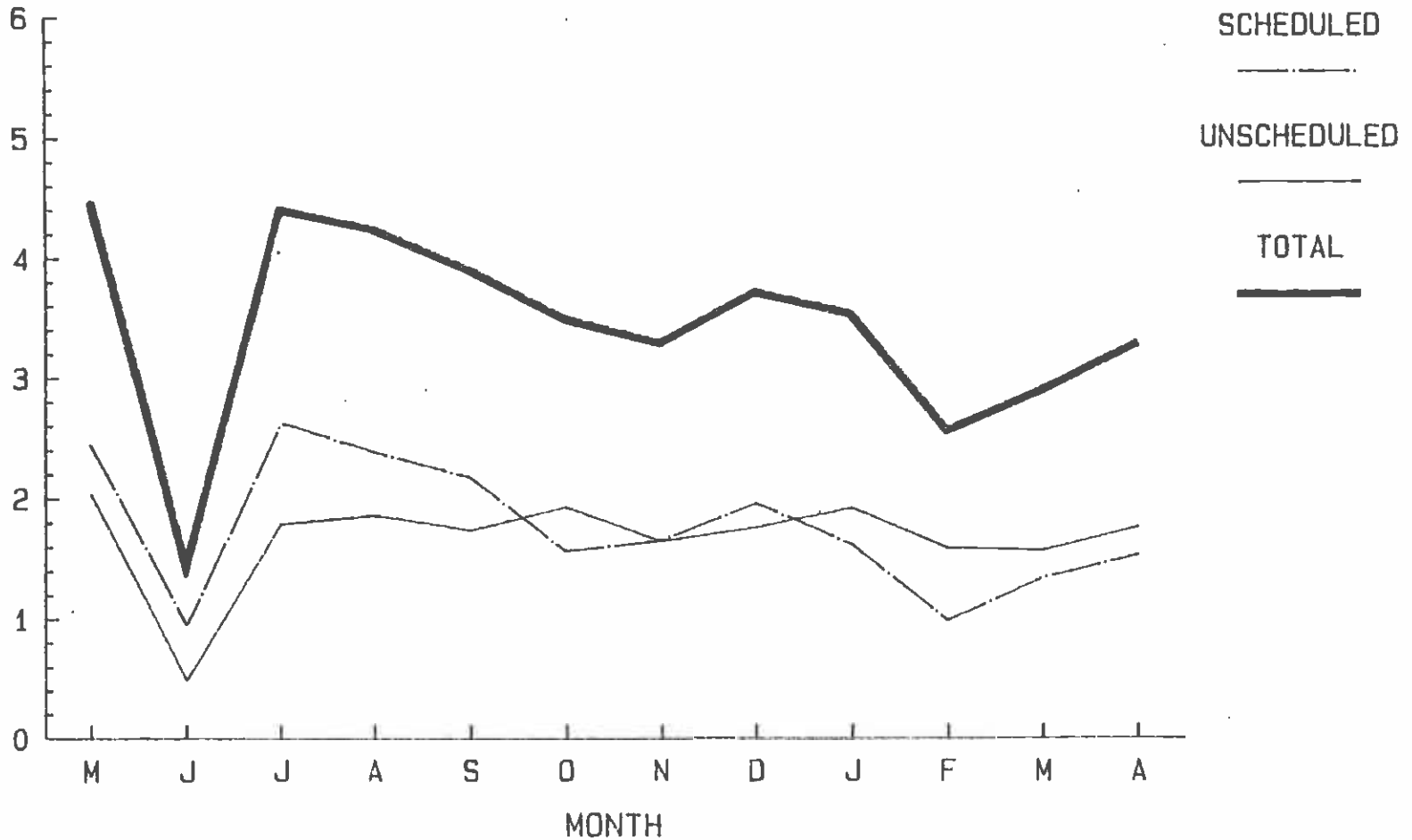
As shown in Exhibits II-23 through II-26, no appreciable relationship between absence rates and scheduled leave for any employee class was found. This is indicated by the fact that peaks in scheduled leave are not accompanied by decreases in absence in most cases, and vice versa. Both scheduled leave and absences are seasonal in nature, as evinced by relatively consistent peaks and troughs amongst employee classes. This does indicate an opportunity for potentially improving absence results by scheduling larger absence recognition programs to occur in high absence months.

The data does show a significant decline in both scheduled and unscheduled leave in June 1985. This may be attributable to an anomaly in the data. This does not invalidate the remaining data.

# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT SCHEDULED AND UNSCHEDULED DAYS LOST MECHANICS

May 1985 to April 1986

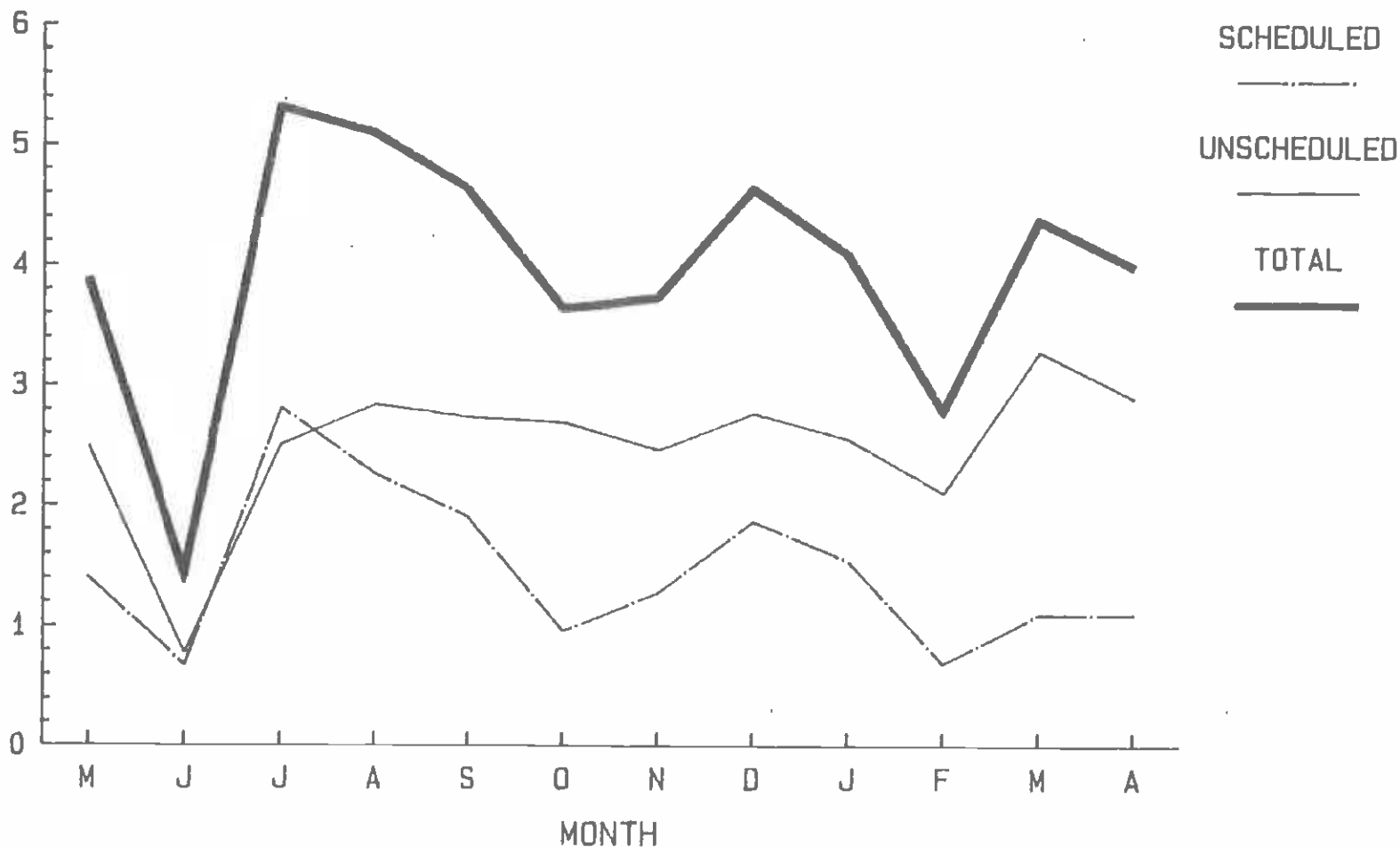
AVERAGE DAYS LOST





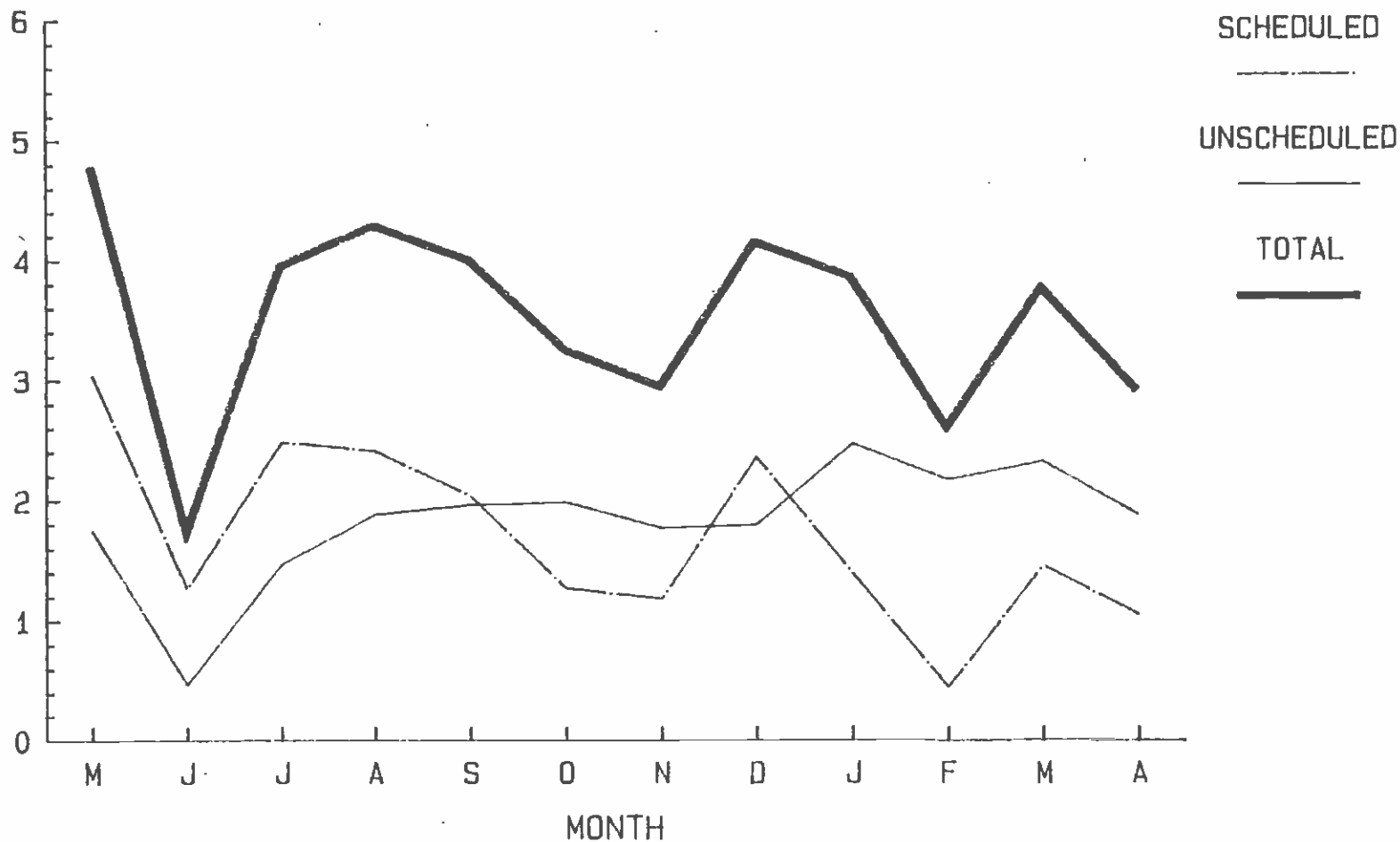
SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
 SCHEDULED AND UNSCHEDULED DAYS LOST  
 SERVICE EMPLOYEES  
 May 1985 to April 1986

AVERAGE DAYS LOST



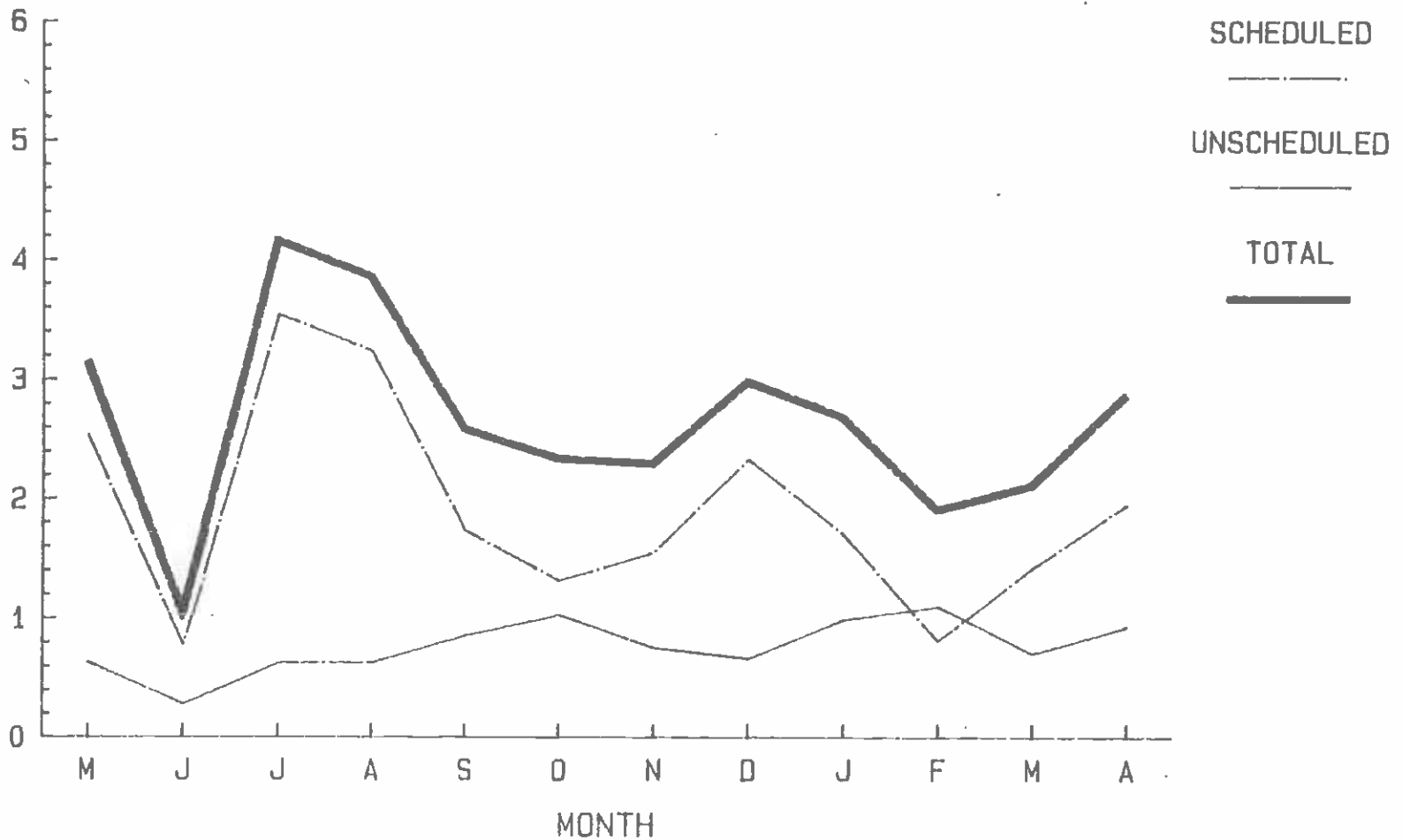
# SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT SCHEDULED AND UNSCHEDULED DAYS LOST BRAC EMPLOYEES May 1985 to April 1986

AVERAGE DAYS LOST



SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT  
 SCHEDULED AND UNSCHEDULED DAYS LOST  
 NON-CONTRACT EMPLOYEES  
 May 1985 to April 1986

AVERAGE DAYS LOST



**III. CONTRACT, WORK RULES,  
PROGRAMS**

### III. CONTRACT, WORK RULES, PROGRAMS

The absence results discussed in Chapter II are best understood by referencing those sources which establish policies to regulate and control employee attendance. This chapter reviews labor agreements between the SCRTD and its contract employees in the Maintenance Department, and management rules and programs.

This review consists of those segments of the contract which directly, or indirectly, apply to absences. The two specific labor agreements reviewed are with the Amalgamated Transportation Union (ATU), effective April 1, 1985 and covering SCRTD service attendants and mechanics, and, the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, (BRAC) effective April 1, 1985 and representing a portion of SCRTD's clerical and support staff. Sections of the ATU and BRAC contracts related to absence are provided as Exhibits III-1 and III-2, respectively

Two additional attendance control programs reviewed in this Section are Work Rules and Management Programs. These two sources are particularly important due to the nature of the aforementioned labor agreements, which lack specificity as it regards particular absence issues.

#### A. LABOR AGREEMENT

In reviewing the labor agreements between the ATU and SCRTD, and the BRAC and SCRTD, both scheduled and unscheduled absence types were examined along with the distribution of overtime to employees.

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Leaves of Absence	Article 16, Section A	Employees with good cause desiring leave of absence without pay for a period of not to exceed ninety (90) days, will apply on prescribed form to their Supervisor or Division Manager who will grant such request when reasons warrant, unless impracticable to do so. Employees will be notified of the decision within a reasonable time. Application for leave of absence may be made by employee or the Union representative.
	Section D	A leave of absence up to one (1) year shall be granted upon application of a pregnant employee, without seniority being affected nor her job considered a permanent vacancy.
	Section E	Any permanent employee subject to the terms of this Agreement who is called into or enlists in the armed forces of the United States or its allies (during a national emergency), shall be given a leave of absence in accordance with the regulations of the national law affecting military service.  Payment of Military Leave will be in accordance with the applicable State Law for any employee who is called up for short periods of reserve duty for the U.S. Armed Forces or National Guard, e.g., two-week training periods (not including periods such as one-night drills or weekend duty).
	Section F	A Bereavement Leave of Absence up to three (3) working days shall be granted employees as a result of death in the immediate family without any reduction in pay. The immediate family is considered to be employee's parents (including step-parents or foster parents); grandparents, sisters; brothers; spouse and children; spouse's parents (including step-parents or foster parents); grandparents; sisters and brothers; grandchildren of the employee or the employee's spouse.  Employee may use floating holidays in connection with bereavement leave.

Footnote

1. The option of using a floating holiday for bereavement was not in the previous contract with the effective date of June 1, 1979.

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (S CRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>												
Sick Leave	Article 32, Section A	<p>(1) Employees with one or more years of continuous service, who are off work due to a bona fide illness or injury and have submitted a verified medical doctor's report to their Division Manager showing nature of illness, date illness commenced, date of treatment, hospitalization, or both, shall be allowed paid sick leave as outlined below. Payment of sick leave will be integrated with Worker's Compensation in the event of an on-duty injury when requested by the employee.</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;"><u>Service Requirement</u></th> <th style="text-align: left;"><u>Allowable Sick Leave</u></th> </tr> </thead> <tbody> <tr> <td>One (1) year of continuous service</td> <td>6 days (48 hours)</td> </tr> <tr> <td>Two (2) years of continuous service</td> <td>7 days (56 hours)</td> </tr> <tr> <td>Three (3) years of continuous service</td> <td>8 days (64 hours)</td> </tr> <tr> <td>Four (4) years of continuous service</td> <td>9 days (72 hours)</td> </tr> <tr> <td>Five (5) years of continuous service</td> <td>12 days (96 hours)</td> </tr> </tbody> </table> <p style="margin-left: 40px;">Unused sick leave shall be cumulative to a maximum of 212 days (1,698 hours).<sup>2</sup></p> <p>(2) An employee attended by a doctor shall secure a "doctor's certificate" at no expense to the District. When an employee is sick but does not require the attendance of a doctor, the expense of a "doctor's certificate", if required by the District, shall be paid for by the District. In such event, the District shall have the right to select the doctor for the purpose of such certificate.</p>	<u>Service Requirement</u>	<u>Allowable Sick Leave</u>	One (1) year of continuous service	6 days (48 hours)	Two (2) years of continuous service	7 days (56 hours)	Three (3) years of continuous service	8 days (64 hours)	Four (4) years of continuous service	9 days (72 hours)	Five (5) years of continuous service	12 days (96 hours)
<u>Service Requirement</u>	<u>Allowable Sick Leave</u>													
One (1) year of continuous service	6 days (48 hours)													
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Four (4) years of continuous service	9 days (72 hours)													
Five (5) years of continuous service	12 days (96 hours)													

Footnotes

2. The cumulative maximum amount of sick leave was increased from 176 days (1,480 hours) contained in the previous contract.

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Sick Leave	Article 32, Section B	(1) In cases when S.D.I. is not applicable, sick leave benefits, provided in Section A, shall be computed on the basis of eight (8) straight-time hours for each assigned work day absent account of sickness.
		(2) In the event S.D.I. benefits to which an employee is entitled are payable for the same day as contract sick leave, there shall be charged against the employee's sick leave account only that portion of a day's sick leave which, when added to the S.D.I. benefits for such day, totals eight (8) straight-time hours pay.
		(3) Compensable days of sick leave shall be paid at the rate of pay in effect on the day sick leave is claimed.
	Section C	(1) No sick leave shall be paid for the first work day, except when any disability results in hospitalization.
		(2) Sick leave pay will not be allowed for any case of intemperance or use of illegal drugs.
		(3) Any employee who does not work during any fiscal year (June 1 through May 31) shall not be entitled to sick leave pay in the following year unless he/she returns to work within that following year.
	Section D	No payment will be paid for sick leave allowance not taken by employee when such employee is terminating from the service of the District, except in the event of the death or the retirement of an employee. In this event, one-hundred (100%) percent of an employee's unused sick leave will be paid to the employee upon the employee's retirement. One hundred (100%) percent of an employee's unused sick leave will be paid to the beneficiary in the event of death.

Footnotes

3. The amount of reimbursement to be received by an employee upon retirement, for unused sick leave was increased to 100% from 75% as in the previous contract.



SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Sickness and Accident	Article 29, Section A	An employee who loses time due to an injury on-the-job shall be paid in full, at the regular rate, for the day of injury. The District shall provide fifty percent (50%) of employee's hourly rate, not chargeable to sick leave, integrated with Workers' Compensation benefits, for the first 15 work days lost due to an on-duty injury, excluding the day of injury for which (s)he is paid in full at the regular rate. An employee may request sick leave to be integrated with this benefit payment to afford a regular day's wage payment.
	Section B	Employees who are not able to report for work must notify their Supervisor of Maintenance Division Manager as early as possible.
	Section C	When so requested by the District, any employee returning from a sick leave in excess of four (4) or more working days duration shall furnish a release from a medical doctor indicating his/her physical fitness to resume duty.
	Section D	No employee shall lose seniority due to leave of absence because of illness or injury unless said leave is in excess of twenty-four (24) months.  The District or the Union may, within thirty (30) days prior to the expiration of the two-year leave, request further extension in meritorious cases, where recovery appears probable, where such recommendation is made by the District's Medical Director, or by recommendation of a licensed physician obtained by the employee, and where agreement is reached by the two doctors recommending an extension of the leave. If there is a disagreement as to the propriety of the extension, the parties may select a third physician to adjudicate the disagreement, with the majority decision prevailing. Such costs incidental to obtaining and arriving at a decision from the third physician to be shared equally by the District and the Union.
Discipline	Article 21, Section D	Before an employee is suspended as a result of an infraction of rules, except in cases such as gross misconduct, insubordination, allegedly being under the influence of narcotics, alcohol or stimulants, or of physical assaults or threats thereof, the employee will be given at least forty-eight (48) hours notification prior to suspension.
Overtime	Article 3, Section B	All employees who complete their assignment when working on their regular or assigned days off shall be paid one and one-half (1 1/2) times their straight time hours, at their regular straight time hourly rate of pay.

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Overtime (continued)		<p>All employees not completing their assignment when working on their regular or assigned day off shall be paid one and one-half (1-1/2) times their straight time hours worked at their regular straight time hourly rate of pay.</p> <p>No employee will be required to work on that employee's regular day off unless there are substantial abnormalities in service requirements; provided, however, this requirement for work will be mutually agreed to in advance between the District and the Union.</p>
Distribution of Overtime	Article 4, Section A	<p>Overtime beyond the normal working periods shall be distributed equitably among qualified employees in their respective classifications when practicable on a rotation basis. Failure of an employee to accept overtime when offered will have the same effect as if that employee had worked as far as his/her turn in rotation is concerned.</p> <p>When a known vacancy (caused by an employee on vacation, absent, etc.) is to be filled by overtime, it shall be filled, if possible, by an employee on the same shift on his/her regular days off. Employee is to be notified as soon as is practical in advance of the extra day to work. This shall not prohibit employee from working overtime on an adjacent shift where requirement is not known in sufficient time to comply with the above, or when employee on the same shift is not available.</p>
Selection of Work Assignments and Shifts and Choice of Working Schedules	Article 7, Section B	<p>The District shall determine the number of employees who shall work on holidays in each job classification. Employees at each location may bid for such holiday work on a seniority and rotating basis, giving preference to the employee who would normally work on that day. In the event an insufficient number of employees bid for such work at their respective locations, the District shall select employees from the bottom of the seniority list in such job classifications, to complete the necessary quota. Bids are to be posted a minimum of eleven (11) calendar days prior to the holiday and bidding shall be completed a minimum of seven (7) calendar days prior to the holiday.</p>
Work Shifts and Work Week	Article 6, Section B	<p>Work shifts for all employees shall be scheduled so as to provide two (2) consecutive days off and scheduled in such a manner so as to allow as many Saturdays and Sundays off as is practicable, except for standby crews and emergency crews.</p>

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>										
Holidays	Article 31, Section A	<p>The following days shall be considered as legal holidays:</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">New Year's Day</td> <td style="width: 50%;">Christmas Day</td> </tr> <tr> <td>Memorial Day</td> <td>Employee's Birthday</td> </tr> <tr> <td>Independence Day</td> <td>Employee's Anniversary Date</td> </tr> <tr> <td>Labor Day</td> <td>Floating Holidays (4)</td> </tr> <tr> <td>Thanksgiving Day</td> <td></td> </tr> </table> <p>In the event one of the legal holidays falls on a Sunday, and the following day (Monday) is officially declared a legal holiday, then that day only will be considered a holiday within the meaning of this Agreement.</p> <p>For employees working on the third shift, holidays, other than birthday, anniversary or floating holidays, will be observed on the night prior to such holiday.</p>	New Year's Day	Christmas Day	Memorial Day	Employee's Birthday	Independence Day	Employee's Anniversary Date	Labor Day	Floating Holidays (4)	Thanksgiving Day	
New Year's Day	Christmas Day											
Memorial Day	Employee's Birthday											
Independence Day	Employee's Anniversary Date											
Labor Day	Floating Holidays (4)											
Thanksgiving Day												
	Section B	<p>(1) Employees on leave of absence, absent on account of sickness or who fail to complete their work assignment without excusable reasons on both their last scheduled or assigned work day prior to the holiday and on their first scheduled or assigned workday after the holiday, will not be considered as having worked. In the preceding, "excusable reasons" are as follows:</p> <ol style="list-style-type: none"> <li>a. Employees who are scheduled to work and are late on the day before of the day after the holiday shall be given the opportunity to make up the time lost on the same day at their regular straight time hourly rate. Employees so doing will be paid the holiday time. Shift differential for working into the next shift will not be applicable in the case of such make-up time. Those employees who are late one hour for unacceptable reasons will not be considered as having an "excusable reason".</li> <li>b. Employees who are scheduled to work and are allowed by the District to lay off all or part of their work day before or after the holiday due to the fact that it could be conveniently done.</li> </ol> <p>(2) The eight (8) hour allowance referred to in Section B., Subsection (1), above, will not be paid if the employee was scheduled to work on the holiday and did not do so.</p>										
Holidays	Article 31, Section C	<p>(1) All hourly rated employees who work on any of the legal holidays; as shown in Section A of this Article, will be paid 2-1/2 times their regular straight time rate of pay for all time worked. Employees completing their assignment on such holidays will be guaranteed a minimum of twenty (20) hours pay time at their regular straight time hourly rate of pay.</p>										

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Holidays (continued)		(2) The District shall determine the number of employees who shall work in each job classification on holidays. (See Article 7, Section B, of this Agreement for bidding procedures for holiday work).
	Section D	<p>When an employee's birthday or anniversary date falls on any one of the first six (6) named holidays, he/she will be given one (1) additional day off either immediately preceding or following his/her birthday or anniversary date. For employees' birthday or anniversary dates falling on February 29, the 28th day of February will be observed as the employees' birthday or anniversary, in other than leap years. Employees whose birthday and anniversary fall within thirty (30) consecutive calendar days will be permitted to schedule these two days in conjunction with their scheduled days off within the thirty (30) day period so as to provide four (4) consecutive days off.</p> <p>When an employee's birthday or anniversary date falls on one of his/her regular work days, he/she may take his/her birthday or anniversary date as a holiday, or he may elect to take the birthday or anniversary date holiday during the same week in conjunction with the employee's two (2) normal days off, either before or after the birthday or anniversary date. If more than one employee's birthday or anniversary date falls during the same week -- and it is determined that too many employees have elected to take the same days off, then seniority chance will prevail.</p>
	Section E	<p>New employees will not be eligible to take floating holidays until completion of probationary period. New employees hired in March, April or May will earn the three floating holidays provided they complete their probationary period. Floaters may then be taken even though the probationary period ends in the following vacation year. The District and the Union shall agree upon a reasonable number of employees who will be permitted to select any one day as a floating holiday. Bidding for floating holidays will take place at the same time as vacation bidding.</p> <p>Commencing January 1, 1983, no more than one (1) accrued floating holiday may be used within each calendar year, for urgent personal business, provided that twenty-four (24) hours advance notice is given to the Division Manager or Supervisor in charge.<sup>4</sup></p>

SIGNIFICANT PROVISIONS OF AMALGAMATED TRANSPORTATION UNION (ATU)  
CONTRACT WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO MAINTENANCE EMPLOYEE ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Vacations	Article 33, Section A	Vacations will be allowed at straight-time rate of pay as follows:  2 weeks vacation after 1 year of continuous service 3 weeks vacation after 5 years of continuous service 4 weeks vacation after 10 years of continuous service 5 weeks vacation after 15 years of continuous service 6 weeks vacation after 26 years of continuous service
	Section F	Any employee who, by reason of illness, injury, or leave of absence, is absent from duties for eighty-five (85) work days or less during the year's service, will be entitled to a full vacation. Employees absent from their duties for more than eighty-five (85) work days during the year will be entitled to one-twelfth (1/12) of their normal vacation for each month or major fraction thereof, which they worked. Employees absent because of injury sustained while on duty, or because of occupational disease, will not be subject to this provision.

Footnotes

5. Under the previous contract, five weeks vacation was earned after 18 years of continuous service, and six weeks earned after 28 years of continuous service.
6. Under the previous contract, the number of absences which served as the determining factor of full vacation or a fraction of their vacation, was ninety days.

SIGNIFICANT PROVISIONS OF BROTHERHOOD OF  
RAILWAY, AIRLINE AND STEAMSHIP CLERKS, FREIGHT HANDLERS,  
EXPRESS AND STATION EMPLOYEES (BRAC) WITH SOUTHERN CALIFORNIA RAPID  
TRANSIT DISTRICT (SCRTD) RELATING TO ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Overtime	Article 7	<p>a) Except where otherwise provided in this Agreement, time in excess of eight (8) hours, exclusive of the meal period, on any day will be considered overtime and paid on the actual minute basis at one and one-half (1-1/2) times the basic straight time hours. Employees regularly assigned to the kind of work for which overtime is necessary shall be given preference to such work.</p> <p><u>NOTE:</u> (1) Rest day relief assignments shall be assigned in such a way as to afford incumbents thereof at least ten (10) hours off duty between assigned work periods. It being understood that the provisions of Article 7(a) will not be applicable when in following their assignments from position to position, incumbents of such positions work more than eight (8) hours on any day.</p> <p>(2) Employees assigned to Vacation Relief Positions will be accorded eight (8) hours off duty between positions they are relieving for vacation purposes; it being understood that the provisions of Article 7(a) will not be applicable when in following their assignments from position to position occupants of such position work more than eight (8) hours on any day. If the occupant of a vacation relief position is not accorded eight (8) hours off duty between positions, they shall be compensated at time and one-half (1-1/2) rate for service performed during the eight (8) hour period following completion of previous shift.</p> <p>(3) Article 7(a) will not be applicable to employees bidding or displacing which requires work in excess of eight (8) hours on any day due to moving to their new assignment.</p> <p>(4) See Article 17 "b(3)" where twenty-four (24) hour coverage is involved.</p> <p>(b) Employees shall not be required to suspend work during regular hours to absorb overtime.</p> <p>(c) No overtime will be worked except by direction of proper authority, except in cases of emergency where advance authority is not obtainable. When employees are required to work overtime reasonable advance notice will be given when it is possible to do so.</p>

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TRANSIT DISTRICT (SCRTD) RELATING TO ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Overtime (continued)		<p>(e) Employees performing service on their assigned rest days shall be compensated on the basis of one and one-half (1-1/2) times the basic straight time hours with a minimum allowance of twelve (12) straight time hours.</p> <p>(f) <u>WORK ON UNASSIGNED DAYS</u> Where work is required by the District to be performed on a day which is not a part of any assignment, it may be performed by an available extra or unassigned employee who will otherwise not have forty (40) hours of work that week; in all other cases by the regular employee. An extra or unassigned employee is a furloughed employee who does not hold an assignment.</p> <p>(g) There shall be no overtime on overtime (no pyramiding). Overtime hours paid for shall not be utilized in computing the forty (40) hours per week.</p> <p>(h) See Article 10 - Notified or Called.</p>
Notified or Called	Article 10	<p>(a) Except as otherwise provided in these rules, employees notified or called to perform work not continuous with, before, or after regularly assigned work period, shall be allowed a minimum of three (3) hours straight time for two (2) hours work or less, and if held on duty in excess of two (2) hours, time and one-half (1-1/2) will be allowed on the minute basis.</p> <p>(b) If such employee is called to report for work before regularly assigned starting time, such employee will be paid at the rate of time and one-half (1-1/2) from time of reporting for work until regular starting time with a minimum of one (1) hour at the time and one-half rate, and thereafter at straight time rate of pay for regularly assigned hours.</p> <p>(c) If such employee has completed regularly assigned tour of duty and is released, and if required to return for further service, may be compensated as if on continuous duty. The District shall make the determination as to whether or not conditions justify the employee to be paid as if on continuous duty.</p> <p>(d) See Article 7 - Overtime.</p>

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TRANSIT DISTRICT (SCRTD) RELATING TO ABSENTEEISM

<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Absences	Article 19	<p>(a) <u>REQUESTED LEAVE OF ABSENCE</u></p> <p>Employees may be granted leave of absence limited, except in case of physical disability, to ninety (90) days in any twelve (12) month period without loss of seniority. Retention of seniority during longer leave of absence may be arranged for by agreement between the District and the Brotherhood.</p> <p>(c) <u>DISABILITY LEAVE</u></p> <p>The District may require an employee on leave of absence due to physical disability to submit to a physical examination by a District Physician to determine fitness to return to duty.</p> <p>(f) <u>MILITARY LEAVE</u></p> <p>Employees covered by this Agreement will be granted necessary leaves of absence for active military training as provided under Section 395 of the California Military and Veterans' Code, as applicable to this District. Said employees will be compensated for said time off for a maximum of thirty (30) calendar days at eight (8) hours of straight time pay for each work day lost.</p> <p>(g) <u>ABSENTEEISM</u></p> <p>The following exceptions are excluded from consideration in the application of the Absentee Policy.</p> <ol style="list-style-type: none"> <li>(1) Bereavement leave</li> <li>(2) Military leave up to thirty (30) days per year</li> <li>(3) Court appearance under subpoena</li> <li>(4) Earthquake, fire or flood where the employee is personally affected</li> <li>(5) Jury duty</li> </ol>
Discipline Investigation	Article 30	<p>(a) An employee who has been in service covered by these articles more than ninety (90) days, or whose application has been formally approved, shall not be dismissed or otherwise disciplined without a formal investigation, which shall be promptly held but in any event not later than ten (10) days from date the District has factual</p>



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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Discipline Investigation (continued)		<p>knowledge of occurrence of the incident to be investigated, unless such employee shall accept such dismissal or other discipline in writing and waive formal investigation. In matters of a serious nature, the employee may be held out of service pending such investigation. At such investigation, the employee may be assisted by the employee's duly accredited representative. Nothing of an adverse nature shall be included in an employee's personal record file without the employee being advised in writing and acknowledgement thereof received.</p> <p>The hearing will be held at such time as not to cause employees to lose rest, or time, whenever practicable to do so.</p> <p>(b) Prior to the formal investigation, the employee alleged to be at fault shall be apprised in writing of the precise nature of the charge sufficiently in advance of the time set for investigation to allow reasonable opportunity to secure the presence of necessary witnesses.</p> <p>(c) An employee disciplined as a result of formal investigation shall be informed in writing of that fact within ten (10) days after the investigation is held, unless a longer time limit is mutually agreed to in specific instances. If an employee is suspended, the suspension shall date from the time the employee is taken out of service. Unless the employee is withheld from service pending an investigation, the employee will be given at least forty-eight (48) hours notification prior to being suspended for said infraction.</p> <p>(d) Either party wishing to make a transcript of any of the procedures outlined above may do so at its own expense and by using its own tape recorder.</p> <p>(e) The right of appeal by employees or their representatives in regular order of succession and in the manner prescribed, up to and including the highest official designated by the District to whom appeals may be made, is recognized. If an appeal is made, it must be filed and progressed in accordance with the procedures set forth in Article 31. If further appeal is desired from the decision of the highest District representative, such appeal shall be made in accordance with the provisions of Article 32.</p>

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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Discipline Investigation (continued)		<p>(f) If the final decision decrees that charges against the employee were not sustained, the record shall be cleared of the charge; if suspended or dismissed, the employee shall be reinstated and compensated for the actual wage loss, if any, suffered by the employee.</p> <p>(g) Employees acting as witnesses at the request of the District in investigations and hearings shall suffer no deduction in pay for actual time lost from regular assignments by reason thereof. If used on rest days or while off duty, the employees shall be compensated for time spent with a minimum of three (3) hours' pay.</p> <p>(h) An employee who feels otherwise unjustly treated shall, if written request setting forth the employee's complaint is made to the employee's immediate supervisor within twenty (20) days of the cause of the complaint, have the right of conference with the employing officer, assisted by the employee's duly accredited representative, at which conference it will be the effort to dispose of the complaint based upon the facts and arguments there presented, and/or the same right of a hearing and appeal as provided in Article 30.</p> <p>(i) For the purpose of computing the time limits set forth in this Article, Saturdays, Sundays, and holidays shall be excluded.</p>
Witness/Jury Duty	Article 28	<p>(a) Employees who are instructed by the District to attend court, or an inquest, or a Board of Inquiry, in which they are not directly involved, will be paid for each hour while in attendance or held for attendance (Sunday and holidays excluded) compensation at the rate of the position to which assigned; if not assigned, then at the minimum clerical rate with a maximum allowance of eight (8) hours per day; if such allowance does not equal what would have been the employee's earnings in the service to the District, had the employee not attended, the difference will be paid. Reasonable actual expense will be allowed while away from the home station. Any fee or mileage accruing will be assigned to the District.</p> <p>(b) <u>JURY DUTY</u></p> <p>Any employee receiving notice of call to jury duty shall immediately show such notice to their Supervisor when required to appear before the Jury Commissioner. In the event that personal appearance of an employee is required, the employee shall be allowed reasonable time for such appearance but not to exceed four (4) hours, if loss of time from work is necessary for such appearance.</p>

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Topic	Citation	Provision
Witness/Jury Duty (continued)		<p>An employee who is required to serve as a juror on any regularly scheduled workday shall be compensated in accordance with the following manner: The District will pay employee supplemental pay equal to the difference between the fee received for service as a juror and the employee's regular daily pay, total compensation not to exceed eight (8) hours in any one day.</p> <p>Employees must furnish the District with advance notice of service as a juror and submit official records of jury pay received to be eligible for supplemental jury pay.</p> <p>Such supplemental jury pay shall be paid only for days on which the employee was scheduled to work, but did not work due to service as a juror. It shall be a condition of the foregoing that an employee, if excused by the court within a reasonable time after reporting, shall return to work.</p> <p>Employees shall report for their regularly scheduled shift on days on which they are not on jury duty and will be paid their regular pay for time worked.</p> <p>The "day" for the third shift will be the calendar day in which their shift ends.</p> <p>The District will credit ten dollars (\$10.00) fee but not travel pay.</p>
Holidays	Article 34	<p>(a) Employees who work on the following legal holidays, namely, New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day (provided when any of the above holidays fall on Sunday, the day observed by the State, Nation, or by Proclamation shall be considered the holiday) shall be paid an additional day at one and one-half (1-1/2) times the straight time hours. In addition, employees are entitled to four (4) preference days or, "Floating Holidays".</p> <p>Employees who work on their birthday or anniversary date shall be paid an additional day at one and one-half (1-1/2) times the straight time hours. When the employee's birthday or anniversary date falls on one of the legal holidays referred to above, the work day immediately before or after the legal holiday will be considered the employee's birthday for the purpose of this Article. For employees whose birthday or anniversary date falls on February 29, the 28th day of February will be observed as the employee's birthday, or anniversary date in other than leap years.</p>

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Topic	Citation	Provision
Holidays (continued)		<p>(b) When a holiday as provided in Section (a) occurs on an employee's rest day or on a day when the employee is not scheduled to work, such employee shall be paid an additional eight (8) hours holiday pay provided the employee has compensation credited to either the last scheduled or assigned work day before the holiday or the first scheduled or assigned work day after the holiday.</p> <p>(c) If an employee does not have compensation credited to either the last scheduled or assigned work day before the holiday or the first scheduled or assigned work day after the holiday, the employee will not be paid holiday pay unless the employee works on the holiday.</p> <p>(d) When a holiday as provided for in Section (a) occurs during the vacation of a vacationing employee, the employee may be granted one additional vacation day with no reduction in pay. If the additional vacation day is not granted the employee will receive one additional day's pay at straight time rate.</p> <p style="padding-left: 40px;">If the holiday falls on a scheduled rest day of vacationing employee, the employee shall be entitled to an additional vacation day or an additional day's pay.</p> <p style="padding-left: 40px;"><u>NOTE:</u> Payment for sick leave is not to be considered compensation in the application of this Article.</p> <p>(e) An employee whose birthday or anniversary date falls during the week may be permitted to take the holiday off in conjunction with his/her scheduled days off.</p> <p>(f) The personal preference days, or "Floating Holidays" referred to in Section (a) above will be guaranteed days off and the employee will not work on those holidays. These holidays will be selected on the basis of seniority. The District reserves the right to determine the number of employees who may select any particular date as floating holiday. Pay for the holidays will be in accordance with Article 34(a), (b), (c), and (d).</p> <p style="padding-left: 40px;">Floating holidays must be assigned seven (7) days in advance of the taking of the holiday, except in emergencies.</p> <p>(g) A new employee hired after February 1st who has earned four (4) floating holidays, may carry the floating holidays over into the next year at the employee's option.</p>

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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Vacations	Article 35	<p>(a) Each full-time employee who has a continuous service record of one (1) year or more shall be entitled to an annual vacation with pay under and subject to the following conditions:</p> <p>Vacations will be allowed at straight time rate of pay, as follows:</p> <p>Two (2) weeks vacation after one (1) year of continuous service.</p> <p>Three (3) weeks vacation after five (5) years of continuous service.</p> <p>Four (4) weeks vacation after ten (10) years of continuous service.</p> <p>Five (5) weeks vacation after fifteen (15) years of continuous service.</p> <p>Six (6) weeks vacation after twenty (20) years of continuous service.</p> <p>(b) If an employee is regularly assigned to work more than eight (8) hours per day on his/her position, he/she shall be accorded additional vacation pay equal to the regularly scheduled overtime pay assigned to his/her position. Employees on vacation will be compensated as if they had remained at work.</p> <p>When a holiday as provided in Article 34 occurs on a scheduled work day of vacationing employees, they may be granted one (1) additional vacation day with no reduction in pay. If the additional vacation day is not granted, employees will receive one (1) additional day's pay at straight time rate.</p> <p>If the holidays falls on a scheduled rest day of the vacationing employee, he/she shall be entitled to an additional vacation day or an additional day's pay.</p> <p>(e) Vacation periods shall not be cumulative.</p> <p>(f) Any employee who, by reason of illness, injury, or leave of absence, is absent from duties for one hundred (100) days or less during the year's service, will be entitled to a full vacation. Employees absent from their duties for more than one hundred (100) days during the year will be entitled to one-twelfth (1/12) of their normal vacation for each month or major fraction thereof, which they worked. Employees absent because of injury sustained while on duty will not be subject to this provision.</p>

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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Vacations (continued)		<p>(g) To provide for the taking of vacations on the basis of equality of all employees during the year and to effectuate the provisions of Sections (a) and (b) of this Article, new employees after one (1) year of service, will be entitled to one-twelfth (1/12) of their normal vacation for each month or major fraction thereof of service between the date of employment and the beginning of the vacation year, which will be bid after the first anniversary date of employment. New employees who had earned less than one-half (1/2) of their normal vacation as of the starting date of the vacation year will be paid in cash for this vacation credit. Such vacation allowances will be taken or paid for after the completion of one (1) year of service. Annual vacation will thereafter be granted as of the vacation year.</p> <p>(h) An employee whose employment is severed shall be paid the accumulated vacation allowance, prorated on the basis of one-twelfth (1/12) of the normal vacation, for each month or major fraction thereof for which they have vacation due.</p> <p>(i) An employee may work during such employee's vacation period in full week increments in the event of mutual consent on the part of the District and the employee. An employee so working shall receive pay for time worked as well as the appropriate vacation allowance.</p> <p>(j) Any employees who have not taken a vacation which they have earned under the provisions of this Article, and if off duty because of sickness for a period of thirty (30) days or more may, during the period of their illness, take their vacation pay in lieu of vacation. However, if and during the time they draw disability benefits, they will not be eligible for vacation pay in lieu of their vacation.</p>
Sick Leave	Article 36	<p>All regularly assigned employees shall be entitled to paid sick leave allowance subject to the following provisions:</p> <p>(a) All employees shall be entitled to an annual sick leave allowance, the amount of which shall be determined by Sections (b) and (c) below. The start of the sick leave year for each employee shall commence as of the anniversary date of that employee's most recent employment by the District.</p>

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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Sick Leave (continued)		<p>(b) The amount of sick leave pay to which an employee is entitled during his/her sick leave year shall be determined by his/her number of years of continuous service as of the start of each sick leave year in accordance with the following schedule:</p> <p style="padding-left: 40px;">One (1) year (and less than four (4) years) of continuous service - one (1) week (forty (40) hours).</p> <p style="padding-left: 40px;">Four (4) years (but less than seven (7) years) of continuous service - two (2) weeks (eighty (80) hours).</p> <p style="padding-left: 40px;">Seven (7) years and over of continuous service - four (4) weeks (one hundred and sixty (160) hours).</p> <p>(c) Employees will accumulate sick leave allowance during any year to the extent of their unused allowance which occurred under Section (b) of this Article, the preceding seven (7) years plus the current year. Any such accrued allowance will, in case of bona fide sickness, first be applied against their absences before applying sick leave allowance accruing during the year in which the absence occurs. This Article does not contemplate any accumulated sick leave allowance from any year except the seven (7) plus the current year immediately preceding the year during which the absence occurs.</p> <p>(d) The foregoing provisions for sick leave payments shall apply only to illness and off-duty accidents. The District may request a certificate from a licensed physician or health professional, e.g., Registered Nurse, Physician's Assistant, or Licensed Vocational Nurse.</p> <p>(e) If time lost is due to an occupational injury covered by Worker's Compensation, the Worker's Compensation benefits to which the injured employee is entitled will be deducted from sick leave benefits.</p> <p>(f) When the employee is entitled to receive California Employment Development Department - State Disability Insurance, there shall be charged against the employee's sick leave account only that portion of the day's sick leave which when added to the State Disability Insurance paid for such day shall equal the eight (8) hours payment.</p>

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<u>Topic</u>	<u>Citation</u>	<u>Provision</u>
Sick Leave (continued)		<p>(h) Seventy-five percent (75%) of an employee's unpaid sick leave will be paid to the employee or his/her beneficiary upon the employee's retirement. In case of death prior to retirement, all of an employee's unused sick leave will be paid to his/her beneficiary.</p> <p>No payment will be made to employees who terminate from the service of the District for other reasons.</p> <p>(i) When requested by the District, an employee returning from sick leave who has been absent three (3) or more days may be required to furnish a doctor's release before actually starting to work.</p> <p>(j) On or about October 15th of each year, employees may indicate, in writing, the amount of accrued sick leave that they intend to "cash-in" at the rate of seventy-five percent (75%) of face value. Payment for such sick leave shall be made, by separate check, on the last regular payday before Thanksgiving. Employees must retain a minimum of eighty (80) hours accrued sick leave after "cashing-in" sick leave.</p>
Bereavement	Article 40	<p>A Bereavement Leave Absence up to three (3) working days shall be granted employees as a result of death in the immediate family without any reduction in pay. Verification of Death is required within five (5) days of return to work. The immediate family is considered to be employee's parents (including step-parents or foster parents); grandparents; sisters; brothers; spouse and children; spouse's parents (including step-parents or foster parents); grandparents; sisters and brothers; grandchildren of the employee or the employee's spouse.</p> <p>A Bereavement Leave of Absence up to five (5) working days shall be granted employees who must leave the state as a result of death in the immediate family without any reduction in pay. The employee must provide proof of having left the state within five (5) days upon return to work.</p>



1. Scheduled Leave

Scheduled leave implies an orderly, predictable set of absences have been arranged between the District and the representative unions based upon an agreed process. The two absence types in this category are holidays and vacations.

a. Holidays

Both the ATU and BRAC labor agreements recognize the following as legal holidays:

New Years Day	Thanksgiving
Memorial Day	Christmas
Independence Day	Employee's Birthday
Labor Day	Employee's Anniversary

ATU: In addition to the aforementioned holidays, employees covered by the ATU receive four floating holidays to be taken at their discretion with management approval.

If an employee fails to complete a work assignment without an excusable reason -- on both the last scheduled work day before the holiday, and first scheduled work day after the holiday -- the employee will be considered as having not worked and not receive a paid holiday (Article 31, Section B, 1).

Employees who work any of the legal holidays receive pay two and one-half times their regular straight time rate, with a guaranteed minimum of twenty hours for a completed assignment. The District and ATU will decide upon a reasonable number of people allowed to use any one day as a floating vacation day. Bidding for floating holidays takes place at the same time as vacation bidding (Article 31, Section C).

BRAC: The BRAC contract corresponds closely to the provisions of the ATU contract in regards to compensation for working on a holiday, granting the use of floating holidays and requiring completion of regular work assignments before and after a holiday to receive holiday compensation. It is different in that employees receive four floating holidays as opposed to the three days provided ATU (Article 34, Section A).

b. Vacations

The following table summarizes the vacation plan in accordance with the two agreements:

<u>Vacation Duration</u>	<u>Service Requirements</u> <u>(in years with the District)</u>	
	<u>ATU</u>	<u>BRAC</u>
0 weeks	<1	<1
2 weeks	1	1
3 weeks	5	5
4 weeks	10	10
5 weeks	15	15
6 weeks	26	20

ATU: Employees under the ATU contract are entitled to their complement of vacation time if they have been absent for eighty-five days or less during a year's service due to illness, injury or leave of absence. If the absence exceeds eighty-five days, employees are then qualified for one-twelfth of their vacation for each month worked (Article 33, Section F).

BRAC: Employees covered by the BRAC contract are entitled to their complement of vacation time if they have been absent for one-hundred days or less during a year of service due to illness, injury or leave of absence. If the absence exceeds one-hundred days, employees are then qualified for one-twelfth of their vacation for each month worked.

## 2. Unscheduled Leave

Unscheduled leave consists of absence types that occur with little, or no advance notice in a random pattern that may extend in duration from a day to over a year. There are two types of unscheduled leave: non-sick leave and illness/injury related absences.

### a. Non-Sick Leave

Included in the category of non-sick leave is a Leave of Absence; Military Duty; Bereavement and Jury Duty.

#### o Leave of Absence

Under both agreements, employees may be granted a leave of absence for up to ninety days in any twelve month period without pay.

ATU: The ATU contract states that employees must apply for this request on a prescribed form to their Supervisor or Division Manager. There is no discussion of how this affects seniority status (Article 16, Section A).

BRAC: The BRAC contract states there will be no loss of seniority, but leaves open the approval requirements (Article 19, Section A).

#### o Military Duty

Both agreements concerning Military Duty are governed by Section 395 of the California Military and Veterans Code under which employees are allowed up to thirty days off annually, with eight hours compensation for each work day lost.

- o Bereavement

ATU: The ATU agreement allows employees up to three paid working day absences as a result of a death in the immediate family. Immediate family includes the following: parents (including step-parents or foster parents); grandparents; sisters; brothers; spouse and children; spouse's parents (including step-parents or foster parents); grandparents; sisters and brothers; grandchildren of the employee or the employee's spouse (Article 16, Section F).

BRAC: Provisions of the BRAC agreement correspond to the ATU agreement in defining the immediate family and granting employees up to three days paid absence. If the employee must leave the state, two additional days are granted. However, verification of death, and if applicable, proof of having left the state, must be provided within five days of returning to work (Article 40).

- o Jury Duty

Both the ATU and BRAC agreements require the union employee to notify their supervisor of appearance before a Jury Commissioner. If loss of time from work is necessary for such an appearance, ATU represented employees receive a maximum of two hours pay and BRAC employees a four hour maximum.

If the employee is required to serve as a juror, compensation is equal to the difference of service fee for jurors and the employee's regular work pay, under the terms of both contracts.

b. Illness/Injury Related Absences

The category of Illness/Injury Related Absences includes Sick Leave and Sickness and Accident

o Sick Leave

Although there are similarities between the ATU and BRAC agreements regarding sick leave, the differences are significant enough that the programs merit separate discussion.

ATU: Employees covered by the ATU agreement receive sick leave in the following manner:

<u>Service Requirement (in years with the District)</u>	<u>Allowable Sick Leave</u>
<1 year of continuous service	0 days
1 year of continuous service	6 days
2 years of continuous service	7 days
3 years of continuous service	8 days
4 years of continuous service	9 days
5 or more years of continuous service	12 days

The terms of this allowable paid sick leave require an employee to submit a medical doctor's report to their Division Manager. However, if the employee's sickness does not require the attendance of a doctor, the expense of obtaining a doctor's medical report, if required by the District, shall be paid by the District. In this case, the District reserves the right to select the medical doctor (Article 32, Section A, 2).

The ATU contract allows unused sick leave to accumulate to a maximum of 212 days (Article 32, Section A, 1).

Instances in which paid sick leave is not allowed are: the employee's first workday (unless a disability

results in hospitalization), or any case involving intemperance or the use of illegal drugs (Article 32, Section C).

There is no payment for sick leave allowance accumulated by an employee terminating from the service of the District. However, an employee will receive 100% of unused sick leave upon retirement, and 100% upon death while employed by the District (Article 32, Section D).

BRAC: Employees covered by the BRAC agreement receive sick leave in the following manner:

<u>Service Requirement (in years with the District)</u>	<u>Allowable Sick Leave</u>
<1 year of continuous service	0 days
1 year of continuous service	5 days
4 years of continuous service	10 days
7 or more years of continuous service	20 days

BRAC employees accumulate sick leave during their first seven years plus the current year to the extent that they did not use their allowance during any year. After this period, sick leave is no longer accumulated. In the event an employee is sick, the accumulated sick leave is offset until it is fully used, and then applied against the allowance (Article 36, Section B).

The District may request a certificate from a licensed physician or health professional to verify the illness or off-duty accident (Article 36, Section D).

If an employee is returning to work after an absence of three or more days, the District may require the employee to furnish a doctor's release before actually starting to work (Article 36, Section I).

There is no payment for sick leave allowance accumulated by an employee terminating from the service of the District. However, an employee will receive 75% of unused sick leave upon retirement, or 100% upon death while employed by the District (Article 36, Section H).

Under the terms of the BRAC agreement, employees are allowed to "cash-in" a portion of their unused sick leave annually. On or about October 15th of each year, employees indicate in writing the amount of sick leave being cashed in at a rate of seventy-five percent of face value, and receive a separate check on the last regular pay day before Thanksgiving. However, employees must retain a minimum of eighty hours accrued sick leave. (Article 36, Section J).

o Sickness and Accident (Article 32, Section 1)

ATU: Employees who lose time due to an injury on-the-job will be paid in full, at the regular rate, for the day of injury. During the following fifteen days employees shall receive fifty percent of their regular pay from the District, not chargeable to sick leave, combined with Workers Compensation benefits. Upon the employee's choice, a regular day's wage payment may be attained by combining sick leave with Workers Compensation Benefits (Article 29, Section A).

When requested by the District, an employee returning from four or more working days absence must furnish a release from a medical doctor (Article 29, Section C).

No employee shall lose seniority due to a leave of absence because of an injury or illness unless the leave exceeds twenty-four months (Article 29, Section D).

However, exceptions to this rule may be made in meritorious cases upon advance notice of thirty days before expiration. A request to extend the absence may be made by the District, through the District's medical doctor where recovery appears probable, or by the Union. If recommended by the Union, it is necessary for two medical doctors (1 medical doctor representing the employee and the District medical doctor) to agree on the recommendation. If there is a disagreement over the extension, the parties will jointly agree upon the selection of a third doctor to settle the dispute. The costs associated with the third medical doctor will be shared equally between the Union and the District (Article 29, Section D).

### 3. Overtime

In analyzing the absence results, an area chosen for further analysis was the relationship of overtime to absences. It is important to note that attendance is not a factor in overtime worked. The significant provisions related to overtime from the ATU and BRAC agreements is presented next.

ATU: Employees under the ATU agreement will not be required to work on that employee's regular day off unless there are substantial abnormalities in service requirements. If such requirements develop, they must be agreed upon in advance between the District and the Union (Article 4, Section A).

Overtime beyond normal working periods shall be distributed equitably among employees in their respective classifications, when practicable, on a rotational basis. However, failure of an employee to accept overtime when offered will have the same effect as if the employee had worked as far as their turn in rotation is concerned (Article 4, Section A).



If a known vacancy is to be filled by overtime, it shall be filled, if possible, by an employee on the same shift on the employee's regular day(s) off. The employee is to be notified as soon as is practicable in advance of the extra day to work (Article 4, Section A).

BRAC: Under the BRAC agreement, employees regularly assigned to the kind of work for which overtime is necessary shall be given preference to such work (Article 7, Section A).

Rest day relief assignments will afford the incumbent at least ten hours off duty between assigned work periods (Article 7, Section A, 1).

Employees assigned to Vacation Relief Positions will be accorded eight hours off duty between positions they are relieving for vacation purposes (Article 7, Section A, 2).

No overtime will be worked except by direction of property authority, except in cases of emergency where advance authority is not obtainable. When employees are required to work overtime, reasonable advance notice will be given when it is possible to do so (Article 7, Section C).

#### B. WORK RULES

In addition to a review of the ATU and BRAC labor agreements, an examination was made of documents relating to SCRTD Work Rules and Management Programs.

The review of SCRTD Work Rules was completed using the RTD Maintenance Guidebook revised January 1, 1986, from L.R. Davis to all employees of the Equipment Maintenance Department. The subjects covered relate to the provisions of the ATU labor agreement reviewed earlier, and are distinguished between scheduled absences and non-scheduled absences.

1. Scheduled Absences

The only scheduled absence -- as defined by this study -- included in the RTD Maintenance Guidebook is Leave of Absence.

o Leave of Absence

The rules in the Maintenance Guidebook correspond with the ATU agreement, requesting advance notice and formalizing a review process of such a request (G-13).

2. Unscheduled Absences

The unscheduled absences and related issues in the RTD Maintenance Guidebook includes the following: Absent Without Permission; Report Sick; Doctor's Certificate; Returning from Sick Leave; Extended Sick Leave; Indefinite Leave Status; False Sick Leave Reports and Injury on Duty.

a. Absent Without Permission (AWOP)

If an employee fails to notify their supervisor, either by telephone, telegraph, or in person as soon as possible after their scheduled report time of their absence, said employee is considered Absent Without Permission (AWOP) and may be subject to disciplinary action (G-17).

b. Report Sick

Employees are required to give the District as much prior notice as possible when calling in sick. Employees on an indefinite sick leave status must inform the Personnel Department whenever they plan to leave the District service area (G-18).

c. Doctor's Certificate

Employees are subject to securing a doctor's certificate for absences due to illness or injury exceeding four working days (ATU) or three working days (BRAC). The certificate shall be presented to the employee's supervisor upon returning to work (G-19), and is intended to indicate that the employee is fit for work.

d. Returning From Sick Leave

Employees who intend to return to work from an absence longer than one day, must contact their supervisor in person or by telephone, as soon as possible.

Employees on sick leave for more than thirty days must report to the Personnel Department for clearance before reporting their availability for duty to their Department Head. Employees must give a minimum of forty-eight hours notice prior to such return (G-20).

e. Extended Sick Leave

Employees absent due to extended sick leave must advise their Department Head of their condition and probable date of return to duty.

Failure of an employee to report for treatment as ordered by a doctor may be a cause for disciplinary action (G-21).

f. Indefinite Leave Status

Employees on sick leave for more than thirty days will be transferred to an indefinite leave status.

Employees on indefinite sick leave must advise the Personnel Department of their plans to leave the District's service area (G-22).

g. False Sick Leave Reports

Employees who feign illness in order to procure sick leave, or to avoid working as assigned, will be subject to disciplinary action (G-23).

h. Employee Injury on Duty

When an employee suffers an injury during District business, the employee's immediate supervisor is to be notified as soon as possible, and a written report on "Employee-Employer Report of Occupational Injury or Illness" (RTD Form Safe 1) be submitted to the Division Manager. The supervisor will provide first aid or make arrangements for medical attention as required under Worker's Compensation laws.

Medical attention is authorized at a District-approved medical facility. All doctor, hospital and pharmacy bills associated with an on-duty injury should be forwarded to the District's Insurance Department. Employees may select their private doctor only if the District has received prior notice in writing (G-25).

C. MANAGEMENT PROGRAMS

There are two additional management programs designed to influence maintenance employee absences -- the District's Attendance Policy, the maintenance incentive program, and other related programs.

1. Attendance Policy

The RTD implemented a revised attendance policy (No. 85-16) for all employees (excepting those covered by the United Transportation Union) effective on January 1, 1986. The RTD's policy statement on attendance is as follows:

"All employees are expected to be punctual and to maintain good attendance. Department attendance control practices will be determined by District policy, Department's goals and objectives, and employee job performance standards. The District encourages positive health practices by its employees and will try to accommodate employee requests for health care appointments. An employee may be dismissed for excessive absenteeism."

The policy applies to all employees and instances, excepting where it is superceded by a labor agreement provision.

The policy specifies employee and management responsibilities as follows:

o Employee Responsibilities

- An employee must:

- a. maintain an attendance record in conformity with District policy and Department requirements;

- b. report to work on time;
  - c. notify his/her immediate supervisor as early as possible if unable to report for work, and state the reason for the absence and the expected duration;
  - d. bid or obtain supervisor's prior approval in writing to take vacation or floating holiday time off;
  - e. schedule medical appointments during non-working hours when possible, or at the beginning or end of the work day to minimize disruption of the work schedule;
  - f. call in on a daily basis if an absence is expected to last more than one day. The employee may be excused from doing so with permission from the immediate supervisor.
- An employee may be required to bring in a physician's statement with every instance of absence when that employee's absences have been excessive. In addition, an employee must provide a medical release upon return to work if an absence exceeds 5 consecutive working days.
  - Employees who anticipate ongoing absences for medical or other reasons should request a conference with the immediate supervisor to try to work out a mutually satisfactory solution to the problem. It is the employee's responsibility to bring such problems to the supervisor's attention.
  - Falsification of sickness is grounds for discipline.

o Management Responsibilities

- Each manager should communicate the District's attendance policy to all affected employees.
- Attendance and tardiness standards shall be enforced to maximize department efficiency and operation. Strict tardiness enforcement (down to the minute) is appropriate when the job demands are such that any deviation from scheduled hours would interfere with effective performance of the job.
- Each manager shall ensure that absences are properly recorded in employee records, consistent with Personnel Department procedure.
- Because of disruption of work, absences or tardiness which exceed District minimum standards are violations of District policy.
- Employees whose absences are excessive shall be subject to progressive discipline including suspension and discharge. Department managers shall initiate progressive discipline whenever an employee's absences become excessive. Employees who fail to call in without cause on the day of an absence may be subject to disciplinary action up to and including dismissal.
- Reasonable employee requests for time off should be granted unless the Department's needs cannot be met if such accommodation is made.
- Absences for vacation, holidays, military leave, bereavement leave, "off with permission," and industrial injuries shall not count as instances of absence under this policy.

- An acceptable alternative to granting time off is to permit an employee to come in early or work late to make up for time taken that day for a medical appointment, provided adequate supervision is available during the extended hours. This lessens the employee's use of time off and results in the Department receiving a full day's work from the employee. This alternative does not trigger overtime provisions.

The policy offers several definitions to be used with the program:

- o Instance -- An absence period of one or more consecutive working days or a portion of a day of one hour or greater.
- o Tardy -- An absence of less than an hour at the beginning of the work shift. Two tardinesses equal one instance of absenteeism.
- o Excessive Absenteeism -- Six or more instances of absence in a floating 6-month period; 3 or more instances of absence with a total work time lost of 60 hours or more in a floating 6-month period.
- o Off with Permission -- Allowing an employee to be absent without pay, when an employee needs time off for an emergency or special event, but has no accrued leave time to use. "Off with permission" is granted only to excellent workers whose attendance record is in compliance with District policy and only when the department workload can accommodate such absence.

The RTD uses draft guidelines for discipline of excessive absenteeism in applying the policy. The guidelines incorporate a four-step progressive disciplinary procedure which can result in termination of employment. The process is as follows:



- o Step 1 -- When an employee first reaches excessive absenteeism (as defined above), the employee's supervisor is to issue a letter and counsel the employee.
- o Step 2 -- Within three months of Step 1 action, the employee must bring attendance into compliance with the policy. Failure to do so results in a formal hearing and a 1 to 3 day suspension.
- o Step 3 -- Within three months of Step 2 action, the employee must bring attendance into compliance with the policy. Failure to do so results in a formal hearing and a 5 to 10 day suspension. Termination of employment is possible.
- o Step 4 -- Within three months of Step 3 action, the employee must bring attendance into compliance with the policy. Failure to do so results in a formal hearing and a 20 to 30 day suspension. Termination of employment is advisable if the employee was suspended previously.

## 2. Incentive Program

In November 1985, the Maintenance Department initiated a progressive attendance incentive program to promote excellent employee attendance. The program includes monthly, quarterly and annual elements to reinforce positive attendance.

Every month there is an intra-divisional award(s) for perfect attendance at all work locations. Each division manager puts up an award of \$50 (out of petty cash) each month as an incentive for perfect attendance. At the end of each month all employees with perfect attendance (i.e., no unscheduled absences) are included in a drawing for a cash prize. Most divisions provide the entire \$50 to a single winner, but some split up the prize

and have multiple winners. The program is well communicated to employees and serves as a monthly reminder for the quarterly competition.

The quarterly incentive program, which began in January 1986, is entitled "Equipment Maintenance Recognition Program." The program is performance-based and includes attendance, as well as safety, effectiveness and other categories of maintenance performance. The program has both group and individual reward elements.

First, the quarterly program is an interdivisional competition. The twelve operating divisions compete, the four shops at South Park compete, the two sections of Division 4 compete, and the three sections of Maintenance General compete for the title of "Division of the Month" and ensuing awards. The program measures performance as the percentage improvement over the prior quarter's performance, using the first quarter of calendar 1986 as the base. The program and progress are well communicated, using a pamphlet describing the program, posters at divisions and monthly charts on status. Management and staff are keenly aware of the program and appear to enjoy competing for the title of "best." All employees at a winning division receive awards -- coffee mugs, an excellence pin and refreshments. In addition, the winning locations gets a permanent plaque recognizing excellence and a moving trophy for the quarter.

Individual excellence is also recognized in the quarterly program. The winning division's management team (i.e., manager, supervisor II, supervisor I and equipment service supervisors) receive cash prizes ranging from \$100 to \$250. In addition, raffle prizes are given to non-management employees with no unscheduled absences or tardies during the quarter (and who met other criteria). The raffle results in seven prizes:

- o One first place prize - weekend trip for two.

- o Four second place prizes - two tickets to a sports event or show.
- o Two third place prizes - dinner for two.

The quarterly program leads to an annual award, where two trips to Hawaii are raffled off. The qualifying criteria are that the employees must have worked in a location when it won division of the quarter, or have been selected as employee of the quarter. One trip is raffled to contract staff and one to non-contract staff. The total quarterly and annual awards are budgeted at \$28,000 in FY87.

### 3. Other Related Programs

Management has other related programs which are intended to help control absenteeism and reduce overall absence rates. These programs include light duty/early return to work, home visiting and employee counseling.

Maintenance employees have the opportunity to engage in a temporary work status of light duty during rehabilitation/recovery from a disabling injury which prevents them from conducting their normal work duties. Participation in the program is not mandatory, but employees are encouraged to participate to continue to accrue sick days, vacation and seniority from his/her former position while on modified duty. The Risk Management Department is examining ways to strengthen the program, with the underlying objective of reducing long-term absences due to occupational injuries and sickness.

A second program intended to reduce longer incidents of absence is the RTD's Visiting Nurse program. Under this program, division managers can request that the District's nurse visit sick employees at home to check their progress. This program strives to accomplish two objectives: 1) demonstrates that the District

is concerned with the employees state of health and will strive to help sick employees free of charge, and 2) attempts to discourage false reporting of illness by following up with employees. Managers do support the program, but recognize that resources are constrained (i.e., a single nurse was employed to cover this program District-wide in FY86).

A third program, the Employee Assistance Program, may also help to reduce absenteeism in the longer term. The District offers free drug, alcohol, financial and family counseling on a voluntary basis, although the employee may have to pay fees if the problem must be referred elsewhere. While these programs are intended to improve employee performance in the long-term, some managers have noted that the program can result in higher short-term absences (e.g., alcohol rehabilitation).

A related program, drug and alcohol testing, is generally applied for employees involved in an accident where an individual is injured or property damage exceeds \$1,000. This program is intended to improve public and employee safety -- which has a correlary impact on attendance. The program is focused on deterrence of drug and alcohol abuse, through detection, rehabilitation and enforcement. While the program is strongly supported by management given the priority of safety, some managers have indicated that it may result in an increase of one-day absences amongst some employees.

**IV. MAINTENANCE EMPLOYEE ABSENCE  
PROGRAM SURVEY**

#### IV. MAINTENANCE EMPLOYEE ABSENCE PROGRAM SURVEY

This section describes the survey approach employed in obtaining information about equipment maintenance employee absence programs at selected U.S. transit properties, and information regarding maintenance absenteeism policies.

##### A. APPROACH

Price Waterhouse conducted a survey of seven transit operators to gather information about maintenance employee absence control policies and programs. The objective of the survey was to glean information in two areas: absence policy development and contents, and absence results. The information is intended for use in generating ideas for RTD in revising current absence control programs, if appropriate. Some programs used by the surveyed operators are included in Section V of this report for consideration by RTD management.

Seven properties were selected based on their similarities to RTD's operating environment and/or potential for yielding reliable absenteeism information and innovative programs. The following transit agencies were selected:

- o Chicago Transit Authority (CTA)
- o Metropolitan Transit Commission, Minneapolis (MTC)
- o New York City Transit Authority (NYCTA)
- o Sacramento Regional Transit District (RT)
- o San Diego Transit Corporation (SDTC)
- o Seattle Metro (METRO)
- o Washington Metro Area Transit Authority (WMATA)

Initial contact was made by telephone interview to determine the operator's willingness to participate in the survey and to see if

formal absenteeism programs were in place. A survey questionnaire was designed to obtain information about how the operator's absence control program was developed, the elements and coverage of the program, and specific absence data. Specifically, questions regarding where the policy is documented, how it is applied, which employees are affected and whether the policy has been challenged in arbitration were asked. Additionally, information was collected regarding the types of absences covered, how the absence is counted (e.g., incidents, duration), provisions for progressive discipline and incentives and the application period. Respondents were asked to supply absence data by absence category (e.g., sick leave, occupational injury, absent with permission, absent without permission (AWOL), and vacation) to the extent available. Finally, documents such as the absenteeism policy, specific programs, management guidelines, the labor agreements and work rules were gathered.

All transit agencies completed the maintenance employee questionnaires with the exception of Seattle Metro. Follow-up phone calls were conducted with all operators to clarify information from the survey and from the documents reviewed.

The results of the survey are discussed in the the following sections, and include, the establishment of absence polices, (Section B); a review of absence policy contents and scope (Section C); a comparison of the disciplinary, incentive and other programs used in addressing absence issues (Section D); and, absence results (Section E).

## B. ESTABLISHMENT OF ABSENCE POLICIES

This segment of the Price Waterhouse survey presents basic information on the establishment of absence policies/programs for the subject agencies and RTD. The results are detailed in Exhibit IV-1 and summarized below.

ABSENCE PROGRAM SURVEY RESULTS

ESTABLISHMENT OF ABSENCE CONTROL POLICIES

MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Date Adopted, Date Effective</u>	<u>Employees Covered</u>	<u>Where Documented</u>	<u>Absence Control Policy Development/ Implementation</u>	<u>Arbitration &amp; Outcome</u>
Southern California Rapid Transit District (ATU)	Late 1970's, revised January 1986	Maintenance Division (service attendants, mechanics)	Management guidelines	Management prerogative	No cases arbitrated to date.
Southern California Rapid Transit District (BRAC)	Late 1970's, revised January 1986	Maintenance Division (clerical, support staff)	Management guidelines	Management prerogative	No cases arbitrated to date.
Chicago Transit Authority	September 1982	Engineering & Maintenance Division employees (mechanics, service attendants, clerical)	Work rules/Employee Handbook; management guidelines	Management prerogative	Four cases have been the subject of arbitration; management won one case, one case resulted in reinstatement, two cases pending. <u>Procedure upheld in both cases where arbitration is complete.</u>
Metropolitan Transit Commission (Minneapolis)	November 1981 (initial implementation) March 1986 (revised -- initial policy outdated, ineffective)	Mechanics, service attendants, clerical. (Same policy covers drivers, clerical and all other union employees in agency)	Separate policy; management guidelines	Management prerogative. Contract clause allows MTC to establish standards of performance for employees.	Policy currently being arbitrated; union is challenging management's right to implement the policy. (No terminations)
Sacramento Regional Transit District	June 1983	Mechanics, service attendants	Separate policy (Board adopted)	Management prerogative	None (no terminations)
San Diego Transit Corporation	January 1986	Mechanics, service attendants	Management guidelines	Management prerogative	None (2 terminations on AWOL)



ABSENCE PROGRAM SURVEY RESULTS  
ESTABLISHMENT OF ABSENCE CONTROL POLICIES  
MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Date Adopted, Date Effective</u>	<u>Employees Covered</u>	<u>Where Documented</u>	<u>Absence Control Policy Development/ Implementation</u>	<u>Arbitration &amp; Outcome</u>
Tri-Met (Portland)	November 1984	Mechanics, service attendants, clerical	Management guidelines (Policies and Procedures Manual)	Management prerogative; policy developed in concurrence with union.	Cases have been arbitrated but procedure has not been challenged. Individuals have been terminated under the policy.
Washington Metro Area Transit Authority	October 1985	Mechanics, service attendants, clerical. (All bargaining unit employees. Policy for transportation employees is extremely similar)	Separate policy.	Management prerogative; negotiated agreement (separate from the contract) in lieu of arbitration.	None. Individuals have been terminated under the policy.

1. Date Adopted, Date Effective

Amongst the operators surveyed, absence control policies/programs were implemented between the late 1970's and 1986. Six of the eight programs included have been implemented within the past two years.

2. Employees Covered

Operators may choose to implement a single policy for all maintenance employees, or establish policies individually for each union. Both examples are shown in the survey results. Two operators -- MTC and WMATA -- have a single policy covering all departments and functions. While there are advantages to applying a single policy universally (e.g., clarity, communication, equity), this is not always a practical approach. For example, RTD labor agreements contained varied paid sick leave benefits and absence provisions for each union. Two separate unions represent maintenance employees and some specific portions of the absence program must reflect contractual provisions (e.g., sick leave buy back is allowed for BRAC but not for ATU employees).

3. Where Documented

Absence control programs are addressed in a number of documents at each transit operator. Sick pay accumulation, notification of absence, overtime restrictions and similar pay-related and absence allowance provisions are generally found in the labor contract. Management guidelines and/or formal policies/programs document, without exception amongst the surveyed operators, the specific incentive and disciplinary actions recommended when employee absence records meet specified criteria. Employee handbooks and work rule documents generally combine information on pay and absence allowance information from the contract with disciplinary procedures from the management guidelines.

#### 4. Absence Control Policy Development/Implementation

Without exception amongst the surveyed operators, maintenance employee absence control programs have been implemented based on management and policy board initiative. This statement refers explicitly to the disciplinary and incentive programs which specify agency actions when an employee's absence results fall below or above the negotiated absence benefits. It is important to note that all the operators surveyed have some negotiated elements in the overall absence program -- e.g., sick pay accumulation, paid absence eligibility, notification requirements. The disciplinary programs, addressing what actions may be taken when an employee exceeds the negotiated benefits, are based on management's implied or explicit right to establish employee performance criteria or expectations.

Two of the operators surveyed -- WMATA and Tri-Met -- initiated a policy based on management prerogative, but then included the union in discussions to refine the program. The program is not incorporated into the formal labor contract, but was agreed to by consensus between management and labor. Both operators believe that involving the union early on has helped in communicating the policy and in employee acceptance of the program. The policy itself has not been the subject of arbitration at either agency, although individual applications of the policy have been arbitrated at Tri-Met.

#### 5. Arbitration Results

Because most of the absence policies have only recently been established, the long-term impact resulting from employee dismissal and ensuing arbitration is difficult to discern. For example, the revised RTD maintenance absence disciplinary program has only been in place since January 1986 and has not been tested in arbitration. Surveyed operator results include:

- o CTA -- terminations have resulted. Two arbitration cases completed with the program upheld in both. Two cases pending.
- o MTC -- no terminations under new policy, but management's right to implement the policy is being challenged by the union and is currently undergoing arbitration.
- o SDTC, Tri-Met and WMATA -- terminations have occurred, but the absence control program has not been challenged. Union involvement in program development at Tri-Met and WMATA cited as contributing factors.

#### C. ABSENCE CONTROL PROGRAM CONTENTS AND COVERAGE

The Price Waterhouse survey also obtained information regarding absence control program content and coverage. Primary program attributes are discussed below and outlined in Exhibit IV-2.

##### 1. Absences Covered by Policy

The types of absences included under the disciplinary program is an important consideration in absence control. The types of absences included range from all unscheduled absences (i.e., RTD and CTA) to absent without permission alone (i.e., WMATA). Most of the surveyed operators limited disciplinary programs to sick leave and absent without permission (i.e., MTC, RT, SDTC and Tri-Met).

##### 2. Absence Accumulation

There are two ways to count absences -- the number of incidents and the duration of absence. An incident occurs each time the employee initiates an absence, regardless of the number of continuous days absent. An absence of one day or of five days would

ABSENCE PROGRAM SURVEY RESULTS

ABSENCE CONTROL PROGRAM CONTENTS AND COVERAGE

MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Absences Covered by Policy</u>			<u>How absence is counted</u>	<u>Application Period</u>	<u>Doctor Verification of Illness/Fitness Required?</u>	<u>Payment Schedule for Sick Leave</u>	<u>Loss of Benefits</u>	<u>Voluntary O.T. Affected by Attendance?</u>
	<u>Sick Leave</u>	<u>IOD</u>	<u>AWOL/AWOP</u>						
Southern California Rapid Transit District (ATU)	X	X	X	Incidents and duration	Rolling six months	May require physician's release.	Employees must complete 1 year of continuous service for sick leave unless injured on the job. The first day of sick leave is not paid.	Employees lose a portion of their vacation if they have 85 or more absences in one year.	No
Southern California Rapid Transit District (BRAC)	X	X	X	Incidents and duration	Rolling six months	May require physician's release.	Employees must complete 1 year of continuous service for sick leave unless injured on the job. Sick leave is paid for the first day forward.	Employees lose a portion of their vacation if they have 100 or more absences in one year.	No
Chicago Transit Authority	X	X	X	Incidents and duration	Rolling 12 months.	May require physician's certificate.	Employees must complete one year of service to earn sick pay. Employees not paid on first day of absence, unless five days or more (then all days paid up to accumulated benefit).	N/A	Yes; No O.T. allowed during week absence occurred.
Metropolitan Transit Commission (Minneapolis)	X		X	Incidents and duration	Rolling 12 months.	Yes; certificate from attending physician required to file claim for sick leave pay. Upon request of MTC, employee shall submit to an examination by a physician designated by MTC.	Sick leave pay not allowed during first 3 days of sickness, except for hospitalization. Recapture of one working day of the waiting period for each of 5 working days absence due to illness. Employee must complete one year of service before he is entitled to paid sick leave.	Sick leave credits reduced one day for each month of absence other than sickness or military duty. Earned vacation not used to compute days absent.	No

ABSENCE PROGRAM SURVEY RESULTS

ABSENCE CONTROL PROGRAM CONTENTS AND COVERAGE

MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Absences Covered by Policy</u>			<u>How absence is counted</u>	<u>Application Period</u>	<u>Doctor Verification of Illness/Fitness Required?</u>	<u>Payment Schedule for Sick Leave</u>	<u>Loss of Benefits</u>	<u>Voluntary O.T. Affected by Attendance?</u>
	<u>Sick Leave</u>	<u>ICD</u>	<u>AWOL/AWOP</u>						
Sacramento Regional Transit District	X		X	Incidents	Rolling 12 months.	RT may require doctor's notice if employee is on the attendance program.	Employees with less than 2 years service must wait 2 workdays before sick/emergency leave with pay may be used. Employee must complete 6 months of service before he is entitled to paid sick leave.	Employees on leave of absence or sick leave without pay for 30 consecutive calendar days will forfeit 1/12 of their sick leave credits.	No
San Diego Transit Corporation	X		X	Incidents and duration	Rolling 365 days.	SDTC may require a note from the attending physician for illnesses in excess of 5 days.	Employee must work in the aggregate 210 days in a 12 month period to count as a year of service for purposes of accumulating sick leave. Working time lost not in excess of 60 days due to sickness, injury or official Union business shall be considered days of work.	Working less than 210 days in one year results in prorating of paid sick leave benefits.	Yes; individuals with poor attendance records not given O.T.; per contract, employee will not be paid O.T. rate unless they work all scheduled work in the pay period.
Tri-Met (Portland)	X		X	Duration	Rolling 12 months.	Doctor's certificate may be required for fourth absence (separate occasions) in 180 days or for absences more than 5 days long.	Sick leave payments begin on second day of illness unless employee has 30 days accumulated sick leave -- then payments begin on first day of absence.	Employee must work 16 days in a month to earn sick leave, excluding illnesses of 5 days or more where the employee is under a doctor's care.	Yes; no O.T. allowed during week absence occurred.

ABSENCE PROGRAM SURVEY RESULTS  
ABSENCE CONTROL PROGRAM CONTENTS AND COVERAGE  
MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Absences Covered by Policy</u>			<u>How absence is counted</u>	<u>Application Period</u>	<u>Doctor Verification of Illness/Fitness Required?</u>	<u>Payment Schedule for Sick Leave</u>	<u>Loss of Benefits</u>	<u>Voluntary O.T. Affected by Attendance?</u>
	<u>Sick Leave</u>	<u>IOD</u>	<u>AWOL/AWOP</u>						
Washington Metro Area Transit Authority			X	Incidents and duration	Rolling 365 days.	WMATA may require a medical evaluation to determine physical fitness for a job after 7 occurrences of illness	Sick leave not paid for first 3 days of illness; if illness extends beyond 3 days, all days are paid.	N/A	No

N/A: Information not available.

comprise a single incident. Duration refers to the number of total scheduled work days lost due to absence occurrences. Duration is not sensitive to the degree to which lost days result from a single long term absence event or from many short-term events. Of the operators surveyed, five used maximum limits for both the number of absence incidents and the total number of days lost. One operator uses duration alone to measure absence (Tri-met), and one uses incidents alone (RT).

### 3. Application Period

The application period -- the time frame over which absence occurrences are accumulated for disciplinary purposes -- is twelve months for all survey respondents except RTD, which under the management program effective January 1986, is six months. For any given number of absences, the six month program both forgives and reacts faster than does a twelve month program.

### 4. Doctor Verification of Illness/Fitness Required

Under the terms of both the ATU and BRAC agreements, a physician's release may be required upon request by RTD management, either for sick leave to be paid, or upon returning from an absence exceeding four days or more. It is important to recognize that the physician's release is a document which states that an individual is well enough to return to work and not a document verifying that the individual was ill or injured in the first place. If requested, the RTD must pay the cost of obtaining the release.

Nearly all of the other agencies responding have a similar requirement through which management may request a physician's certificate upon employees returning to work. The major difference is that the other operators require the physician's certificate to verify the nature of the illness and/or injury and that absence from work is recommended.



For example, SDTC may require a note from the attending physician for absences exceeding five days. Tri-Met may require a physician's certificate for absences exceeding five days or, a fourth absence incident in one hundred and eighty days. The MTC requires a certificate from the attending physician for any claim of sick leave pay. In addition, MTC may request the employee to submit to an examination by an MTC designated physician. The RT reserves the right to request a physician's certificate regardless of the frequency or duration of absence.

In the case of WMATA, a physical examination may be required to determine the employee's fitness for the job after seven incidents of illness within a rolling 12 month period. In all cases the operator must pay the fee for any physician's certificate required.

#### 5. Payment Schedule for Sick Leave

There are two primary elements to qualifying for paid sick leave amongst the surveyed operators -- employee qualifications and incident qualifications. Each is discussed below.

Not all employees are eligible for paid sick leave; most operators have some qualifying criteria based on seniority. For example, at RTD both ATU and BRAC employees are required to complete one year of continuous service (unless injured on the job) before qualifying for sick pay. The one year of service requirement is reflected in the labor contracts of CTA, MTC and SDTC as well. RT requires only six months of continuous service to qualify for paid sick leave benefits. Tri-Met approaches the problem differently, requiring employees to accumulate sick leave on a monthly basis. Employees must work 16 days each month to earn paid sick leave benefits.

The employees eligible for sick pay generally have another level of qualifications to meet before receiving sick pay related to the duration of the incident. The sick pay provisions related to incident characteristics include:

- o RTD's BRAC employees are paid on the first day of absences, as are RT employees with more than two years seniority, and Tri-Met employees with more than 30 days of accumulated sick pay. For absences exceeding five days, the CTA begins sick pay on the first day.
- o RTD's ATU employees begin sick pay benefits on the second day of absence, as do CTA and Tri-Met employees.
- o WMATA employees are not paid for the first three days of sick leave, but are paid for all days if the incident exceeds three days in duration. Similarly, MTC begins sick pay on the fourth day for incidents less than five days in duration, and on the third day for incidents five or more days in duration.

#### 6. Loss of Benefits

All of the survey respondents had a program under which prolonged, or highly frequent absences resulted in a reduction of another benefit.

In this category, RTD was unique from the other respondents in that vacation time is reduced if a certain level of absences is exceeded in a year. All other respondents used a measure, which if exceeded, impacted remaining sick leave benefits.

The terms of the ATU and BRAC agreements allow an employee to accumulate 85 (ATU) and 100 (BRAC) absences in a year and still use their full vacation entitlement. However, the employee is

entitled to one-twelfth of their earned vacation for each major portion of a month they worked if their absences extend beyond the respective amounts of 85 and 100 days.

The MTC reduces an employee's sick leave credits by one day for each month of absence other than military leave or sick leave (with a doctor's notice). At RT, a similar arrangement exists whereby employees absent for 30 consecutive calendar days forfeit one-twelfth of their accumulated sick leave benefit.

Under the SDTC policy, employees must work in the aggregate of 210 days in a twelve month period to count as a year of service for computing sick leave time. Working time lost not in excess of 60 days due to sickness or injury shall be considered days of work for the aforementioned requirement of 210 days. Failure to complete the requirement results in a prorating of accumulated sick benefits.

Tri-Met requires employees to work sixteen days in a month to earn sick leave. However, illnesses where the employee is under a doctor's care for up to five days may be excluded from this total. Working less than 16 days in a given month results in no sick pay accumulation for that month.

#### 7. Effect of Attendance on Voluntary Overtime

Four of the seven agencies included in the survey -- RTD, MTC, RT and WMATA -- responded that voluntary overtime was not effected by attendance. At the CTA, SDTC and Tri-Met, attendance is considered in assignments for voluntary overtime. At SDTC an employee is not paid at the overtime rate unless all scheduled work was completed by the employee during the pay period. At the CTA and Tri-Met, employees are restricted from working overtime during a week in which they were absent.

D. DISCIPLINE, INCENTIVES AND OTHER PROGRAMS TO IMPROVE ATTENDANCE

The third part of the Price Waterhouse survey reviewed the programs being used by other agencies to regulate and improve employee attendance. The findings, summarized below, are displayed in Exhibit IV-3.

1. Provisions for Progressive Discipline

All of the agencies surveyed currently have a program under which an employee is subject to increasing measures of discipline for high levels of absenteeism within a defined period of time.

Beginning in January 1986, RTD management implemented a revised program to address Maintenance Department absenteeism rates. It is a four-step program within a rolling six month period. Under this program, six incidents of absence or three incidents totaling sixty hours or more requires a counseling letter be sent to the employee. Within three months following the letter, the employee must bring his/her attendance into compliance with RTD's requirements or the employee may be brought before a hearing and may be suspended for one-to-three days.

If action is taken under the second step, the employee is again given three months to bring attendance into compliance (i.e., less than three incidents totaling sixty hours and less than six incidents). Failure to comply with the attendance requirements subjects the employee to another hearing, a potential suspension of five-to-ten days and the possibility of termination.

The final step requires the employee to comply with the attendance policy within three months of the actions undertaken above. Under Step 4, the employee is brought before a hearing and may receive a twenty-to-thirty day suspension -- although there is no maximum -- and may be terminated from employment.

ABSENCE PROGRAM SURVEY RESULTS

DISCIPLINE, INCENTIVES AND OTHER PROGRAMS TO IMPROVE ATTENDANCE

MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Provisions for Progressive Discipline</u>	<u>Incidents Controlled by Discipline</u>	<u>Forgiveness of Incidents</u>	<u>Recognition for Attendance</u>	<u>Other Programs to Improve Attendance</u>		
					<u>Counseling</u>	<u>Physical Fitness</u>	<u>Visiting Nurse</u>
Southern California Rapid Transit District (ATU)	Same for ATU and BRAC. Four step program; 6 instances - 3 totaling 60 hrs. within six months is a counseling letter; within 3 months of above, employee must comply with policies or receive a hearing and possible suspension; within three months of previous measure, failure to comply will result in longer suspension and possible termination; last step if failure to comply within another three months is longer suspension or termination.	All unscheduled leave and tardiness	None	Yes. Monthly, quarterly and annual awards.	Yes. Drug, alcohol and general employee counseling available.	No	Yes. Minimal.
Southern California Rapid Transit District (BRAC)	Same for ATU and BRAC. Four step program; 6 instances - 3 totaling 60 hrs. within six months is a counseling letter; within 3 months of above, employee must comply with policies or receive a hearing and possible suspension; within three months of previous measure, failure to comply will result in longer suspension and possible termination; last step if failure to comply within another three months is longer suspension or termination.	All unscheduled leave and tardiness.	None	Yes. Monthly, quarterly and annual awards.	Yes. Drug, alcohol and general employee counseling available.	No	Yes. Minimal.

ABSENCE PROGRAM SURVEY RESULTS

DISCIPLINE, INCENTIVES AND OTHER PROGRAMS TO IMPROVE ATTENDANCE

MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Provisions for Progressive Discipline</u>	<u>Incidents Controlled by Discipline</u>	<u>Forgiveness of Incidents</u>	<u>Recognition for Attendance</u>	<u>Other Programs to Improve Attendance</u>		
					<u>Counseling</u>	<u>Physical Fitness</u>	<u>Visiting Nurse</u>
Chicago Transit Authority	Four step program; 3 instances of absence and/or 5 days off between each step of the progression. Separate discipline guidelines are provided for different categories of absence.	Absence due to illness or injury, abuse of the sick list, failure to report on time-unexcused absence, AWOL.	None	No.	Employee Assistance Program available.	No	N/A
Metropolitan Transit Commission (Minneapolis)	Four step program based on number of occurrences. Enter first step (1st record of warning) with various combinations of incidents and duration (e.g., 1, 2 or 3 occurrences totaling 11 or more days) during previous six months. Failure to successfully complete 3 consecutive 3-month warning periods because of absences results in termination.	Sick leave, request off, AWOL, late covered by policy.	None	N.A.	Employee Assistance Program in effect for 3-4 years.	No	No
Sacramento Regional Transit District	Enter program formally with 3 occurrences; each time an employee misses work is counted as an occurrence; consecutive days missed are counted as one occurrence; discipline applied after reaching various levels of occurrences; 13 occurrences result in termination.	Sick leave, request off, AWOL, tardiness covered by policy.	For each month of perfect attendance one occurrence is forgiven during the active 12 month period.	N.A.	Employee Assistance Program available.	No	No

ABSENCE PROGRAM SURVEY RESULTS  
DISCIPLINE, INCENTIVES AND OTHER PROGRAMS TO IMPROVE ATTENDANCE  
MAINTENANCE EMPLOYEES

<u>Agency</u>	<u>Provisions for Progressive Discipline</u>	<u>Incidents Controlled by Discipline</u>	<u>Forgiveness of Incidents</u>	<u>Recognition for Attendance</u>	<u>Other Programs to Improve Attendance</u>		
					<u>Counseling</u>	<u>Physical Fitness</u>	<u>Visiting Nurse</u>
San Diego Transit Corporation	Three levels of discipline; 13 occasions or 20 total days off subject to discipline; exceeding standard set forth above 3 times in one year results in termination.	Sick leave, AWOL, sign-off, tardiness.	None	Annual awards program recognizes outstanding employee attendance.	Employee Assistance Program adopted by Board 7/1/86.	No	No
Tri-Met (Portland)	Progressive discipline begins with 100 hours of absence; more stringent conditions and terms for attendance applied as hours of absence increase; discharge considered at 300 hours of absence.	Sick leave, AWOL, tardiness.	None	No	Employee Assistance Program in effect for 3 yrs.	Yes; facility at one location with equipment and programs; employees pay \$5/mo.	No
Washington Metro Area Transit Authority	Points assigned for absences by type (e.g., 1 point for late report, 8 points for AWOL); disciplinary action is based on point accumulation; employee subject to termination when 24 points are accumulated.	Absences and tardiness other than for sickness or IOD covered by this policy. Sick leave being addressed under a separate policy.	None	Employees can earn 1/2 day off per quarter for perfect attendance.	Employee Assistance Program available.	No	No

N.A.: Not available.

During the study period, RTD was working in conjunction with union representatives to revise the absence policy implemented in January 1986. The attendance policy, expected to become effective in November 1986, was not reviewed in this engagement as it was not in final form during the analysis period. In draft form, the program would change to a six-month floating performance period triggered by each absence occurrence. The disciplinary program is expected to move from four-steps of discipline until termination, to six steps, still initiating on the sixth incident of absence. The duration element is likewise being extended from three instances totaling 60 hours, to three instances totaling 80 hours. While the acceptable limit of absence incidents and duration has been increased, the incident-based floating period is expected to speed up the disciplinary process.

Two other agencies, the CTA and MTC, use a four step program of progressive discipline. The CTA program uses separate discipline guidelines for different categories of absences, with an established number of frequencies triggering the discipline measures within a floating 12-month period.

The MTC program is based on the number of absence occurrences, with various combinations of incidents and duration summing to a report occurrence. The employee is given three opportunities during three month intervals to comply with attendance requirements, much like the RTD program. Failure to do so may result in termination.

Two agencies, RT and SDTC, utilize a three step discipline program. Under the RT program, thirteen occurrences of an absence type within a floating twelve month period will subject the employee to termination. An occurrence is one period of absence -- whether it be one day or several days consecutively.

The SDTC also uses a three level program of progressive discipline, with the threshold of absences being thirteen occasions or



twenty total days absent within one year. If this standard is exceeded three times in a floating twelve month period, the employee may be terminated.

Under the program used by Tri-Met, absences totaling 100 hours or more within a floating twelve month period subjects the employee to more stringent terms and conditions for attendance. If the employee's attendance does not improve and the employee has accumulated 300 hours of absences, he/she may be terminated from employment.

The WMATA progressive discipline program incorporates a point system in measuring the level of absenteeism. Under this program, different absence types -- such as AWOL, sick leave, or late reporting for duty -- receive a different number of points. Within a floating twelve month period an employee is limited to twenty-four points. At different levels approaching the maximum of twenty-four, an employee is subject to various disciplinary measures. However, upon reaching twenty-four absences within a rolling 12-month period the employee is subject to termination from WMATA.

## 2. Incidents Controlled by Discipline

All of the agencies surveyed, along with RTD, include sick leave, tardiness and AWOL as absence types subject to their progressive discipline rules. One exception to this is WMATA, which covers sick leave under a separate program. RTD is the only agency including all unscheduled absences in its program.

## 3. Forgiveness of Incidents

None of the agencies surveyed forgive incidents of absenteeism with the exception of RT. Under the RT program, each month of perfect attendance eliminates one absence occurrence during the active 12 month period.

#### 4. Recognition for Attendance

Two transit agencies -- SDTC and WMATA -- recognize excellent employee attendance. The SDTC presents awards annually to employees who have compiled outstanding attendance records. The WMATA program features an incentive for employees by allowing the employee one-half day off per quarter of perfect attendance. The RTD program is more extensive than either of these, including monthly, quarterly and annual awards for perfect attendance.

#### 5. Other Programs to Improve Attendance

This category consists of three programs aimed at improving employee attendance - counseling, physical fitness and visiting nurse.

##### a. Counseling

All of the agencies included in the survey, along with RTD, offer a counseling program which can help improve employee attendance. These programs include counseling for drug and alcohol abuse, family and work place problems, and are generally free to the employee.

##### b. Physical Fitness

Based on the survey results, Tri-Met is the only agency with a physical fitness program for maintenance employees. This program consists of one physical fitness center for employees with a five dollar per month charge.

##### c. Visiting Nurse

Of the agencies surveyed, only RTD currently has a visiting nurse program for employees absent due to illness. The extent of home visiting conducted has been minimal to date, due to limited resources (a single nurse serves the entire District).

E. ABSENCE RESULTS

Only two of the operators surveyed provided absence information for maintenance employees, as outlined in Exhibit IV-4. Based on the information provided, it appears that RT's absence policy did not substantively impact the number of days lost due to sick leave and AWOL -- the two areas followed within the disciplinary program. The number of days lost due to work-related injuries fell dramatically reflecting a major effort to improve safety onsite.

It is not certain whether MTC's initial absence policy had any measurable impact on the number of absence days lost, as they did not monitor maintenance absenteeism for control purposes prior to program implementation. When MTC strengthened its program last year, absences subject to discipline (i.e., sick leave and AWOL ) dropped by 16 percent.

It is not possible to evaluate each operator's success in absence reduction for two reasons:

- o Most programs are recent initiatives and have not yet demonstrated the full cycle of discipline; and
- o Most operators are not routinely tracking maintenance absences at an aggregate level.

F. SUMMARY

As demonstrated, absence control practices and policies vary widely with every operator having some unique provisions and practices. All operators, including RTD, developed the program outside of formal contract negotiations -- although many worked with labor representatives informally to develop programs. All the operators surveyed utilized a 12-month floating performance period for monitoring employee absences, excepting RTD which uses

ABSENCE PROGRAM SURVEY RESULTS  
MAINTENANCE EMPLOYEE ABSENCE DATA  
AVERAGE NUMBER OF DAYS PER EMPLOYEE PER YEAR

<u>Agency</u>	<u>2 yrs. prior to implemen- tation</u>	<u>1 yr. prior to implemen- tation</u>	<u>Policy imple- mented</u>	<u>First yr. of implemen- tation</u>	<u>Second yr. of implemen- tation</u>	<u>Third yr. of implemen- tation</u>	<u>Fourth yr. of implemen- tation</u>	<u>Fifth yr. of implemen- tation (1)</u>
<u>SACRAMENTO REGIONAL TRANSIT</u>								
<u>DISTRICT</u>								
o Sick leave	15.08	16.16	*	16.55	16.15			
o Injured on duty	0.74	6.28	*	3.40	0.89			
o Absent with permission	3.12	2.03	*	0.75	0.49			
o AWOL	0.51	0.29	*	0.12	0.18			
o Other	1.70	1.00	*	1.13	1.03			
Subtotal	21.15	25.76	*	21.95	18.74			
o Vacation and Holidays	20.69	22.13	*	23.07	23.74			
<u>METROPOLITAN TRANSIT</u>								
<u>COMMISSION</u>								
o Sick leave	N/A	N/A	*	7.80	8.32	8.06	8.06	6.76
o Injured on duty	N/A	N/A	*	7.54	6.50	6.24	4.16	3.90
o Absent with permission	N/A	N/A	*	4.16	3.38	3.12	2.34	2.60
o AWOL	N/A	N/A	*	2.86	2.34	2.08	3.12	2.60
o Other	N/A	N/A	*	0.78	0.78	0.26	0.26	0.52
Subtotal	N/A	N/A	*	23.14	21.32	19.76	17.94	16.38
o Vacation and Holidays	N/A	N/A	*	N/A	20.18	19.66	21.22	20.28

(1) MTC significantly revised its absence policy in this year to reinforce good attendance by employees.

a six-month period. All the operators have some provision requiring a doctor's certification of illness and inability to work, excepting RTD which may request a doctor's release stating that the employee is well enough to return to work. Most operators provide sick pay based on the number of days worked in a period, except for the RTD and the CTA which provide paid sick leave benefits regardless of attendance. One-half of the operators surveyed did not pay overtime premiums for employees working on their scheduled day off during a week when they were absent. RTD does not restrict voluntary overtime due to absences.

The tolerances for termination due to absences vary widely between operators. Termination is possible after:

- o WMATA - 3 AWOL, or eight days in 12-months.
- o CTA - 12 instances or 20 days in 12-months.
- o MTC - 12 instances or 33 days in 12-months.
- o RT - 13 instances in 12-months.
- o SDTC - 16 instances or 23 days in 12-months.
- o SCRTD - 9 instances in six-months (18 instances in 12-months).
- o SCRTD Proposed - 11 instances in six-months (22 instances in 12-months).
- o Tri-Met - 37 days in 12-months.

One-half of the operators surveyed, including RTD, provide awards and recognition for good attendance.

Overall RTD does have a large number of practices intended to improve attendance, and is comparable to other operators in terms of the number of programs available. However, within these programs, RTD appears to be less demanding than other operators surveyed.

**V. SUGGESTED APPROACH TO  
ABSENCE CONTROL**

## V. SUGGESTED APPROACH TO MAINTENANCE ABSENCE CONTROL

The purpose of this chapter is to identify specific absence control programs and actions which are expected to improve maintenance employee attendance at RTD and reduce the overall cost of absenteeism.

### A. OBJECTIVES OF THE ABSENCE PROGRAM

A successful absence reduction program strives to strike an appropriate balance between the use of incentives and disciplinary measures which recognize the operating characteristics of the organization. A balanced approach to absence control has had the best reported results in absence reduction according to available literature. In recognition of maintenance employee performance at SCRTD, we recommend a program which addresses the needs of three primary groups of maintenance employees. These groups span all three employee types -- mechanics and servicers represented by the Amalgamated Transit Union (ATU) and clerical workers represented by the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees (BRAC). The programs may also apply to non-contract staff, however, absence reduction was not identified as a significant improvement opportunity for this group. Therefore, the discussions presented in this chapter generally exclude references to non-contract staff. The program recommended includes:

- o Recognition of excellent performance for maintenance employees with perfect or near perfect attendance. The RTD has implemented a recognition program for high performance which has worked well. Price Waterhouse suggests some improvements to encourage individuals with near-perfect attendance to gain further improvements.

- o Management controls for marginal absence. Ninety-nine percent of all maintenance employee absences are five or fewer days. Management does not have a strong program for marginal absence at present. Price Waterhouse recommends implementing some initiatives in this area.
  
- o Disciplinary action for chronic absenteeism. RTD currently has two programs to combat chronic absenteeism -- the absence disciplinary process and the prorating accrual of vacation related to BRAC and ATU employee attendance. Price Waterhouse recommends several enhancements to this program to help control chronic absenteeism.

As noted, RTD has recognized the unique needs of these groups of maintenance employees as demonstrated by the current program of controls (i.e., discussed in Section III). The District has approached absence control with balance -- offering both incentives and disincentives for absences. The suggestions presented in this chapter are intended to improve the effectiveness of these controls and were developed based on the analysis of RTD's programs (Section III), maintenance employee attendance (Section II) and industry research (Section IV). A summary of recommended actions is presented in Exhibit V-1.

The potential cost savings figures were all developed using the cost monitoring methodology presented in Section VI of this report, and the absence characteristics provided in Section II. RTD can replicate these calculations, or use the same methodology and information to evaluate implications of other suggested absence reduction programs, should they so desire. The cost savings estimates are conservatively stated. The savings are estimated assuming that each program will only impact its primary target group (i.e., excellent attenders, marginal attenders and poor attenders) with no residual implications for the other two groups of employees. This would not be the case in application,



## SUMMARY OF MAINTENANCE ABSENCE REDUCTION SUGGESTIONS

TARGET GROUP	SUGGESTED IMPROVEMENT	CONTRACT CHANGE REQUIRED	ANTICIPATED SAVINGS PER ANNUM	ADDITIONAL COST	NET SAVINGS	IMPLEMENTATION SCHEDULE
A. Excellent Attendance	1) Expand Equipment Maintenance Recognition Program (ATU and BRAC)	No	\$170,000 and some reduction already accruing	\$35,000	\$135,000	January 1987
	2) Modify the Buy-Back of Accrued Sick Pay Provision (ATU)	Yes	Unknown	Unknown Minimum pay-off is \$2 to \$1	Unknown	Late FY88
	3) Change Employee Payment Schedule (ATU and BRAC)	No	Unknown	Unknown	Unknown	March 1987
B. Marginal Attendance	1) Modify Sick Leave Accrual Policy (ATU and BRAC)	Yes	Unknown	None	Unknown	Late FY 1988
	2) Modify Sick Pay Provision (BRAC)	Yes	\$103,000 (for BRAC)	None	\$103,000 (for BRAC)	Late FY 1988
	3) Limit Overtime Pay to Employees working a Full Week (ATU and BRAC)	Yes	\$200,000	None	\$200,000	Late FY 1988
	4) Formalize Attendance Record as a Criteria for Promotions (ATU and BRAC)	No	Unknown	None	Unknown	January 1987
	5) Formalize Screening Job Applicants for Attendance at prior Workplace (ATU and BRAC)	No	Unknown	None	Unknown	January 1987
C. Poor Attendance	1) Modify Progressive Discipline Schedule for Excessive Absenteeism (ATU and BRAC)	Yes	\$1.1 million	None	\$1.1 million	Winter 1987
	2) Require Maintenance Employees to Provide a Doctor's Verification when Returning to Duty (ATU and BRAC)	Yes	Unknown	None (or cost of exam)	Unknown	Late FY 1988
	3) Clarify Responsibilities and Procedures for Monitoring Maintenance Employees on Four and Five Day Absences (ATU and BRAC)	No	Unknown	Unknown	Unknown	June 1987
Total			\$1,573,000	\$ 35,000	\$1,538,000	

as all programs apply equally to all employees -- even though they are designed to have the greatest impact on a specific subset of employees.

The additional cost of administering these programs is nominal, as most suggestions are alterations of existing programs which are already being administered. Further, RTD has recently implemented the Human Resources Management Information System (HRMIS) in the Equipment Maintenance Department, which is intended to improve monitoring and control absences, among other things. The study did not comprise a work measurement process to evaluate the marginal impact of each program on administrative time, nor did it evaluate any potential excess capacity or replacement capacity that may currently exist. In evaluating and implementing suggested programs it is strongly recommended that the District review the specific responsibilities of individuals impacted both before and after the program change to ensure that administrative time is both adequate and put to the best use to serve the District.

Less than half of the recommendations require a contract change, and account for 20 percent of total estimated savings. This gives management ample flexibility to continue their progressive actions toward absence reduction (already demonstrated in the new recognition/award program and efforts to revise the absence disciplinary program) in the near term.

#### B. CHARACTERISTICS OF EFFECTIVE ATTENDANCE PROGRAMS

Two of the three attendance program focus areas (e.g., marginal absence and poor absence controls) are generally easy to defend in public or private circles. They rely on the philosophy that an employee must perform according to the terms established by management and labor representatives, or lose some benefit (e.g., suspension without pay) and eventually risk termination. The final area of attendance program focus (i.e., rewarding and

recognizing individuals with excellent attendance) is sometimes more difficult to comprehend as an absence reduction approach. In support of a balanced approach to attendance improvement, Price Waterhouse conducted a limited review of available literature.

We reviewed the findings of a well-known researcher of attendance programs, Dow Scott, Ph.D., a management professor of the Virginia Polytechnic Institute and State University. Dr. Scott has recently published two articles which apply directly to the considerations presented in this report:

- o "Rewarding Good Attendance: A Comparative Study of Positive Ways to Reduce Absenteeism," with S.E. Markham and R.W. Robers in Personnel Administrator, August 1985.
- o "Absenteeism Control Methods: A Survey of Practices and Results," with S.E. Markham, in Personnel Administrator, June 1982.

We believe these findings are particularly relevant to the RTD's considerations of a new attendance control strategy because they provide an objective review of the results of various attendance programs. The findings from these two research efforts are summarized below:

1. Positive Attendance Programs

In respect of the use of positive attendance mechanisms, Dr. Scott's 1985 article chronicled the results of a year-long field test of four such programs: 1) a financial incentive program, which paid bonuses for perfect and near-perfect (two absences) attendance for the year; 2) a recognition program, which included quarterly and annual awards for all employees having no more than one (quarterly) or two (annual) absences; 3) a lottery program,

which included a quarterly drawing for a mantle clock or portable television for all employees having no absences (which received two entries per qualified employee) or one absence (which received one entry per qualified employee); and 4) an information feedback program, which included monthly notification to each employee of their year-to-date absence record. One program was instituted at each of four manufacturing plants within a single company. Two other plants were used as controls for the experiment; one of the plants participated in an absenteeism survey which was also conducted at the four test plants.

The results of this experiment included:

- o The personal recognition program had the most dramatic influence on the reduction of absence rates. A 7.6 percent (19.8 days) absence rate had occurred at this test site in the previous two years; this dropped to 4.77 percent (12.4 days) during the year of the experiment.
- o The financial incentives program produced a much less dramatic reduction in absence, and it was statistically significant. The prior two years' absence rates averaged 6.4 percent (16.6 days) at this test site; the rate was reduced to 6.0 percent (15.6 days) during the year of the experiment.
- o The information feedback program likewise resulted in an insignificant reduction in absence rates, from 6.3 percent (16.4 days) to 6.1 percent (15.9 days).
- o The lottery program resulted in a statistically significant increase in absence rates, from 5.6 percent (14.6 days) to 6.1 percent (15.9 days). This increase in

absence rates occurred despite the fact that the number of employees qualifying for the lottery increased during the year.

In summary, the results indicated that the personal recognition program was associated with the largest decrease in absence rates and the most dramatic changes in employee attitudes. The authors of these findings provide two cautions, however, against the generalization of these results. First, the participants were women, and it is not known how the results might have differed with a mixed workforce. Second, the design of the programs which did not perform may well have been a factor.

## 2. Summary of Absence Control Methods and Results

A total of 987 organizations representing every region of the country and every sector of the economy participated in the survey which formed a basis for Dr. Scott's 1982 research on absence control methods. The purpose of this survey was to document the prevalence of various absenteeism control methods, the effectiveness of these methods according to the personnel administrators who returned the survey, and whether a relationship existed between the absenteeism control methods used by an organization and their absence rate.

A total of 34 absenteeism control methods were assessed in the survey. The methods associated with a significantly lower absence rate (relative to organizations which did not employ the particular method) included:

- o A consistently applied attendance policy.
- o An analysis of daily attendance information on at least a monthly basis.

- o A screening of a recruit's past attendance records before making a selection decision.
- o Public recognition of an employee's good attendance.
- o A centralized attendance monitoring system.

Another significant finding from the survey was that a decentralized attendance monitoring system was associated with a higher absence rate than experienced by those organizations having a centralized monitoring system. The reasons cited for this include the potential for an inconsistent quality of absence monitoring between individual supervisors (i.e., decentralized), and the perception that centralized monitoring gives the appearance of a higher level of management commitment to attendance control. Managers of the surveyed organizations indicated that centralized monitoring and application of the absence policy resulted in more consistent application of disciplinary actions, fewer arbitration cases and a higher win ratio for remaining cases arbitrated.

#### C. PROGRAM FOR EXCELLENT ATTENDANCE

The purpose of this type of program is to promote the continued performance of maintenance employees with excellent records and to motivate other employees to attain a similarly high level of performance. There are generally two approaches to this program -- public recognition and financial rewards. While public recognition was cited as a key success factor in the programs summarized in Section B, above, financial rewards can also be designed as an effective motivational tool.

Currently, the RTD Maintenance Department employs two mechanisms to encourage excellent attendance:

- o RTD Equipment Maintenance Recognition Program -- This relatively well-balanced program comprises both public recognition and financial awards (See Section III of this report). It addresses attendance as well as other performance-based criteria. The monthly awards have been in place since November 1985, and the quarterly program began in January 1986. Awards in calendar year 1986 are expected to cost RTD about \$35,000 in cash and gift awards for both monthly and quarterly programs.
  
- o Buy-back of accrued sick leave -- The Maintenance Department has two separate programs in this area. First, for mechanics and service attendants (represented by ATU), a retiring employee is allowed to receive a cash payment for 100 percent of the value of his/her accrued sick leave. No buy-back is allowed if the employee leaves the RTD prior to retirement. Second, for BRAC employees, a retiring employee is allowed to receive a cash payment for 75 percent of an employee's accrued sick leave. In addition, once per year any BRAC employee may cash-in any accrued sick leave over 80 hours at 75 percent of face value.

These two programs provide both short-term and long-term incentives to encourage maintenance employee attendance. We believe there are opportunities for modifying these programs, however, which would further encourage positive performance. Therefore, we recommend that the RTD seriously consider revising these programs as discussed below.

1. Expand the RTD Equipment Maintenance Recognition Program

There are two distinct elements of the Equipment Maintenance Recognition Program -- an annual award program and a monthly award program. The incentive programs are aimed at recognizing and/or rewarding excellent attendance and generally benefit those employees with perfect or near perfect attendance over some specified period of time (i.e., annually, quarterly and monthly). At RTD 68 mechanics, 28 service attendants and 6 BRAC employees (100 employees) had perfect attendance between May 1985 and April 1986 (i.e., about 6.3 percent of the work force). Another 671 maintenance employees (i.e., 598 mechanics, 137 service attendants and 36 BRAC employees) had between one and thirteen days of absence, accounting for a total of 5,303 unscheduled absence days. This group can be considered as the primary target for the excellent attendance programs. The secondary target group for the excellent attendance program is all maintenance employees. This is because an individual need have only one month of perfect attendance to qualify for an award, and even employees with chronic absenteeism are eligible for RTD's current group (e.g., division) awards.

Within the primary target group, it is anticipated that the potential absence reduction from the incentive programs is two days per employee per year for employees with seven to thirteen days, and one day per person per year for employees with one to six days absence. This yields the following cost savings potential:

o	Mechanics --	\$140,000
o	Service Attendants --	\$ 23,000
o	BRAC employees --	\$ 7,000
o	Total --	\$170,000



Employees with more than 13 days of unscheduled absence per year are likely to improve overall attendance as well, but the extent to which this may occur is unknown. The above savings should be utilized as minimum acceptable targets for these programs.

Because these programs have only recently been established (i.e., the first quarterly awards were distributed in July 1986), these cost savings should be starting to accrue now. The recognition program, as established by the Maintenance Department, is generally well balanced and complete. Its major components are:

- o A monthly sweepstakes or lottery drawing for employees with no unscheduled absences during the month at each division. Awards range from one prize of \$50 to five prizes of \$10 each month, depending on the division. The monthly sweepstakes serves as a reminder of the quarterly program for all employees.
- o The quarterly award is based on division performance; the division with the best improvement in performance (including attendance) wins. All employees receive refreshments, a coffee mug and excellence pin. The division retains a plaque and holds a rotating trophy.
- o The quarterly program has individual awards for the winning division as well. The manager and supervisors receive a cash award, and contract personnel compete for raffle prizes (must have perfect attendance and meet either criteria to be eligible). Contract staff can win a weekend trip for two (1), tickets to a sports event or show (4), and dinner for two (2).
- o The quarterly program culminates in an annual award, which is a sweepstakes for a trip to Hawaii. One award is provided for contract staff and one for non-contract staff. The eligibility criteria include being a member

of the winning division (or work group) for the quarter, and/or winning an employee of the quarter designation.

Performance is monitored centrally, but it is communicated to employees on a decentralized basis (e.g., by work location). The program has been well communicated in advance (e.g., pamphlets, staff meetings, posters) and monthly divisional performance is well communicated within and amongst work locations.

While the District may be effectively communicating absence results, we have a few suggestions aimed at individual attendance:

- o The names of all employees eligible for the monthly drawing should be posted at each division at a location where most employees will read it (e.g., bulletin board). This should be done several days in advance of the drawing.
- o The names of all employees eligible for the quarterly raffle should likewise be posted in advance. The RTD should consider posting the names of all employees with perfect attendance for the quarter at all work locations, whether or not it wins the quarterly competition.
- o Two-weeks prior to the annual award drawing, every division should post the names of all eligible employees as a form of recognition.
- o The District should consider making an additional award and/or recognition for all employees with perfect attendance during the year. Ideas might be to publish their names in a District publication, provide them with a patch depicting perfect attendance, or try a special group dinner or lunch for all employees with

perfect attendance. Individual cash awards are not recommended for this group as another program (i.e., buy-back of sick pay) is suggested which meets this need.

The program as designed by the Maintenance Department is relatively consistent and complete. Better communication of individual attendance should help promote perfect attendance at little or no additional cost. As already demonstrated in the program, management should vary the specific awards periodically to ensure that they are attractive to employees. The current combination of cash, trips, tickets to events and meals has shown thoughtful innovation in defining prerequisites for good attendance.

If the monthly program appears to lose its appeal, or if management wants to increase its appeal, RTD could offer T-shirts or caps to all employees with perfect attendance during a selected month as a reinforcing surprise. Likewise, this could be applied to one quarter, rather than one month.

The overall impact of the Equipment Maintenance Recognition Program is expected to be a \$170,000 reduction in absence costs, with some of that reduction accruing now from the current program. This represents a substantial payoff given a program cost of about \$35,000. The key to continued cost reduction is employee recognition for perfect attendance. The program is underway now, and monitoring improvements should commence by January 1987. No contract change is required for any activities in this area.

## 2. Modify the Buy-Back of Accrued Sick Pay Provision

Each of the maintenance employee labor agreements has a separate provision for buy-back of accrued sick pay. Each is discussed below.

a. ATU Provision

As discussed earlier, RTD allows mechanics and service attendants (represented by ATU) to cash-in their accrued sick pay upon retirement at 100 percent of face value. They are allowed to accumulate a maximum of 212 days (i.e., 1698 hours) of sick pay over their period of employment. It would take an ATU employee a minimum of 19 years of service with perfect attendance to reach the maximum accumulation allowance.

The current policy does not provide an incentive to minimize sick leave for most ATU employees. Little benefit is gained by saving accrued sick leave until retirement. If an ATU employee leaves the RTD before retirement, the employee loses all of his/her banked sick leave. To many maintenance employees, this translates to the loss of a benefit provided by contract. Given that paid sick leave is a benefit negotiated in the labor agreement, many ATU employees may be inclined to use it as it is earned.

One way to provide an incentive for ATU employees to avoid sick leave and hence not consume their entire accrual of sick pay is to provide some annual benefit from unused sick leave (e.g., similar to the program offered BRAC employees). A common approach in the transit industry, and many other fields, is to allow the employee to sell some sick pay accruals back to the District at a discounted rate. These programs generally include three factors -- when selling benefits can occur, minimum accrual for selling benefits and proportion of face value paid. For the RTD, we would suggest establishing one date per year when selling sick benefits is permitted. We suggest that RTD place this date just prior to Thanksgiving -- offering ATU employees an incentive to earn a "Christmas shopping bonus." Second, we suggest that ATU employees be permitted to sell sick leave benefits in excess of 168 hours. This ensures that employees gaining the incentive have a good sick leave performance record and that they have a

full month's coverage to fall back on should they become ill. Third, the most common payment for sick leave is 75 percent of face value, which appears appropriate for SCRTD.

While such a change appears to provide an obvious incentive for all ATU employees to reduce sick leave (which accounts for 70 percent of all days lost due to absences), RTD should not embark upon it without first estimating its potential cost to the District. To do this, the District should determine the accrued sick pay by ATU employee and determine the number of sick days accrued exceeding 168 hours per person. The highest immediate cost will be the number of days eligible for the program multiplied by the average wage (i.e., \$15.40 for mechanics and \$12.18 for service attendants) and the proportion of face value paid (i.e., 0.75). The RTD should classify the payment as a benefit/bonus and not as direct wages to avoid incurrence of variable benefit costs. A mechanic sick day paid, on the average, costs the District \$168 not including overtime charges which may be required to cover the absence (which would add another \$69 bringing the total to \$237). A mechanic sick day bought back by the RTD would average \$92 dollars per day. A service attendant sick day paid, averages \$139 in costs -- \$194 with overtime covering the absence. Conversely, a day purchased back by the RTD would cost \$73. With RTD's 25 percent coverage of absences with overtime, the average payback ratio to RTD is 2 to 1 (i.e., 2 dollars are saved for every one paid out).

It is not possible to estimate the potential cost savings without first examining the profile of accrued sick pay. It is likely that employees who have a minimum of 80 accrued days at the time of implementation are the greatest initial target (i.e., they could exceed 268 hours in one year), although all employees can benefit from the program over a two- to three-year period. This type of program has proven effective at other agencies, and may

be a good element to include as a benefit to union employees to provide balance when negotiating to strengthen progressive discipline requirements.

It is recommended that RTD develop a profile of accrued sick pay by maintenance employee by March 1987, and to identify the potential immediate (and one time) cost of implementing the program using the guidelines discussed above. We further recommend that this work be reviewed by the performance auditor within six months from the date of this report.

Because cashing in sick pay is currently regulated by contract, change in the provision may not be feasible until FY88 (when the current contract expires). It may be possible for RTD to open negotiations early on absence issues, and we recommend that the District try to do so by the close of fiscal year 1987.

b. BRAC Provision

Under the RTD-BRAC labor agreement, BRAC employees can accrue a maximum of 20 days (i.e., 160 hours) of paid sick leave per year (i.e., after seven years of service). This is more than the maximum for drivers, mechanics or service attendants, all of who earn a maximum of 12 days per year (i.e., 96 hours). An employee can cash-in unused sick leave upon retirement and receive pay at 75 percent of face value. There is no sick leave buy-back provision for employees terminating from the service of the District.

In addition, the contract allows employees to cash-in any sick leave exceeding 80 hours once a year around Thanksgiving. In this case, the RTD buys-back sick leave at 75 percent of face value of all leave sold to the District. This program appears to provide an important benefit to BRAC employees as they, on the average use less than 16 days of sick leave per year while earning a maximum of 20 days per year. In comparison, drivers,

mechanics and service attendants all use more sick days per year on the average than they can accrue. Therefore, the BRAC buy-back provision is a benefit for more than just the excellent and good performers. It also benefits marginal attenders. In fact, 73 percent of all BRAC employees utilize fewer sick days than the maximum annual accrual (i.e., at seven years of service).

During the course of the audit RTD management indicated that the BRAC buy-back provision was intended to be an absence reduction program. In the performance auditor's opinion, the design of this program and its application are seriously flawed as incentives for absence reduction. Subject literature and experience indicates that recognition and financial reward programs are most effective in moderately improving attendance of good performers and are not effective in improving attendance of other groups. The program is not targeted towards good performers at RTD. In fact, the average employee uses less than 16 days of sick leave per year, while earning up to 20 days. Fully 73 percent of employees use fewer than the maximum annual sick leave accrual. Given this absence information, to simply break even from a cost perspective RTD would have had to reduce the total number of sick days used by BRAC by 31 percent -- an unlikely occurrence from a financial incentive program. While the program was ineffective from an absence control perspective, it was effective in providing a financial bonus to many employees without improving attendance.

Given that this program is not currently targeted toward the best performers, the District should consider tightening the buy-back requirements. We would suggest increasing the minimum sick leave bank for cash-in eligibility from 80 hours to 168 hours. This serves three purposes. First, it further restricts the benefit to individuals with better attendance records which have been sustained for more than one year. Second, it ensures that

employees have at least one month of sick leave to fall back on, if needed. Third, it should reduce the overall cost of the program to RTD.

Other than this change, and a reduction in the maximum sick days accrued (discussed later in this Section) we would recommend retention of the program. It can provide an incentive for reducing sick leave and does provide a payoff to the District in terms of reduced cost if absences are actually reduced. For instance, a BRAC employee sick day costs the RTD about \$148. A cash-in equivalent cost is \$90, resulting in a 40 percent savings overall.

In the immediate term (i.e., before March 1987) RTD should prepare a profile of sick leave accruals by BRAC employee, separately for each year the program has been in effect and for one year before implementation. The actual cost of buy-backs and the potential impacts of the program changes suggested should be costed out by the RTD. This work should be reviewed by the performance auditor within six months of this report date.

Any change to the provision requires a labor contract modification. The current contract is in effect until FY88, although it may be possible to open contract negotiations on absence rules sooner. Before making the change, the RTD should calculate the specific cost savings to weigh against union demands in other areas.

### 3. Consider Changing Employee Payment Schedule

While not numerically investigated by the performance auditor, some maintenance managers mentioned that absences tend to be higher on pay day -- particularly for swing shift service attendants. Pay checks are available during the day (i.e., before the swing shift starts), and some employees may pick up their checks and not show up to work when scheduled.



RTD should investigate the extent of this perceived problem by comparing pay day absences to average day absences over a three-month period (e.g., using the Vehicle Maintenance System). This should be completed by March 1987 and reviewed by the performance auditor. If the difference is significant RTD should consider one of two policies:

- o Pay employees at the close of their shift on pay day. Employees who do not show up to work can retrieve their checks one day later than those attending work as scheduled. Those employees with a scheduled day off on pay day can collect their check at any time.
- o Switch to a Monday or Tuesday payday. Taking payday off may not be as attractive to employees as missing a Friday, regardless of when checks are made available.

RTD should investigate this issue to ascertain whether or not this is a concern by March 1987. No cost savings estimate can be offered, as the magnitude of absence is unknown.

A related concern mentioned by RTD management was employees leaving work midday to deposit or cash payroll checks. While this is not reflected in absence statistics, it does represent a reduction in productive work time. The District should examine direct deposit in terms of cost and potential benefit. Both the direct costs of cutting checks and making electronic deposits, as well as the imputed cost of "float" interest earned should be considered. In making the assessment, the RTD should not assume a large pay-off in productive time unless lost time can be documented.

Again, the District should investigate this opportunity by March 1987. Potential costs and savings are not known at this time, but should be projected by the RTD and reviewed by the performance auditor.

D. PROGRAM FOR MARGINAL ATTENDANCE

The purpose of this program is to limit discretionary absences that may now be taken without violating any existing disciplinary regulations. This is primarily characterized in the 1-day and other short-term absences indicated in Section II of this report. Approximately 83 percent of all mechanic and service attendant one-day absences (i.e., AWOL, off with permission and sick leave) and 25 percent of one-day BRAC employee absences are unpaid (i.e., AWOL and off with permission), and can be considered discretionary. One-day and up to five-day absences comprise 14 percent and 99 percent, respectively, of total RTD maintenance employee absences. This relationship reflects both average employees and chronically absent employees. This section, however, on marginal attendance excludes all chronically absent employees (as defined in Section II).

Even though most one-day absences are not paid, they still account for an annual cost of \$484,000, including 25 percent overtime required to cover one-day absences. This one-day absence cost is distributed as follows:

o	Mechanics	\$198,000
o	Service Attendants	\$ 97,000
o	BRAC Employees	\$189,000

Maintenance employee absences up to five days in duration, and excluding chronically absent employees, account for \$3,151,000 annually, including overtime (i.e., 25 percent of absences are assumed to be covered with overtime). There are 985 mechanics incorporated in this group, absent for an average of 14.6 days each, at an annualized cost of \$2.2 million. Another 316 service attendants reside in these ranks, with an absence rate of 18.0 days, contributing \$727,000 to the marginal absence cost. BRAC employees (71 in number) average 18.7 days of unscheduled absence per year, and contribute an annual expense of \$184,000. The

magnitude of marginal absence, in terms of workforce size and cost, make short-term absences a high priority for improvement at RTD.

Currently, there are three programs at RTD which address maintenance employees with marginal absences. These are the sick leave accrual provisions, the sick leave pay provisions and the worker's compensation pay provisions. These are all specified in the RTD-ATU and RTD-BRAC contracts, as discussed in Section III of this report.

We have identified five steps that RTD should consider to gain improvement in the marginal attendance employee group. These are:

- o Modify the sick leave accrual provisions
- o Restrict sick pay allowances
- o Limit overtime pay to employees working a 40-hour week
- o Incorporate attendance into promotion reviews
- o Screen employee attendance records before hiring.

1. Modify the Sick Leave Accrual Policy

Currently, all maintenance employees are provided a full year's sick leave bank on their anniversary date. This is an uncommon practice in the transit industry and all other fields covered in the literature on absence control. The RTD policy may encourage employees to utilize sick leave for discretionary purposes and/or consume a year's allotment of sick pay while only working a partial year due to extended absences or terminating employment with the District during the year.

A monthly accrual of sick leave, based on the number of days worked in a month, would reduce any tendency to use a sick leave

bank for any but necessary purposes. Further, it would reduce the number of total sick days paid by the District as fewer total days are likely to be earned and subsequently paid.

All transit systems, excepting RTD, in the absence survey (Section IV) had some type of work requirement for receipt of full sick leave benefits. Approaches either accumulate sick pay monthly based on the number of days worked (most transit systems include vacations and holidays as worked days, but exclude all unscheduled absence irrespective of cause), or on an annual cycle based on the number of days worked. Monthly worked day requirements range from 16 to 18 days, annual worked days range from 210 to 230 worked days to receive full benefits. Working below these thresholds generally results in a proportional reduction in sick pay accruals.

This program would require a contract change, and hence may not be negotiated until late FY88. The program has no direct cost to the RTD, and the benefit is unknown based on data available to the performance auditor. RTD should compare three proposed policy against actual worked days by employee and prior year sick leave paid -- 16, 17 and 18 worked days per month to accrue one sick day. RTD should prepare this data and cost out the savings based exclusively on the fewer number of sick days paid. This information should be ready for consultant review within six months from the date of this report. In addition to a reduction in the amount of sick leave paid some nominal degree of discretionary absence reduction is anticipated.

## 2. Consider Modifying the Sick Pay Provision

The RTD-ATU contract allows no sick pay on the first day of absence due to illness. The RTD-BRAC contract allows sick pay on the first day of sick leave. Short-term sick leave results are as follows:

- o Seven percent of mechanic and service attendant absences are one-day sick leave, with less than one percent of these paid. Two-day absences (paid leave starts on the second day) due to sickness comprise 12 percent of ATU employee absences, of which 50 percent of the days lost are paid.
  
- o More than 14 percent of BRAC employee absences are due to one-day sick leave, and all are eligible for sick pay benefits. More than 18 percent of BRAC employee absences are two-days in duration, and all are eligible for pay.

The current RTD-BRAC sick pay provision does not offer any deterrent to taking short-term sick days off (i.e., one- to two-day absences). When coupled with the large number of sick days earned for employees (relative to other contract staff), it appears to provide an incentive for absence days due to brief illness. As an effort to reduce marginal absences for this employee group, we suggest that management consider changing the RTD-BRAC sick pay provision to match that contained in the RTD-ATU and RTD-UTU contracts. Sick pay should not be allowed on the first day of sick leave, unless the employee was hospitalized and submits proof of this. Implementation of this modification would result in an annualized savings of \$65,000 due to reduced sick pay benefits alone. Given that this provides a disincentive for one-day absences, a reduction in this absence rate is expected to produce another \$38,000 in annual savings, bringing the total cost savings target up to \$103,000.

This program should be implemented in conjunction with a reduction in the number of annual sick days earned by BRAC employees. Currently, BRAC employees can earn a maximum of 160 sick hours per person per year. As a point of reference, operators, mechanics and service attendants can only earn a maximum of 96 hours per person per year. If the first day of sick leave was not paid

(as is the case with the other three contract employee groups cited above), maximum accumulated sick leave could be reduced by 47 percent (i.e., 75 hours per person per year) without impacting current benefits other than the sick pay ineligibility for the first day ill.

While we would not suggest reducing sick leave by all the days that will be ineligible under the new criteria (i.e., 9.4 days), we do suggest that the agency reduce maximum sick leave accrual to 96 hours per employee per year. This will serve to increase the incentive for good performance and reduce the impact on sick leave buy-back created from no sick pay on the first day ill (i.e., if fewer days are eligible for sick pay, more days are likely to be sold back through the annual sick leave buy-back program. While the buy-back is cheaper than a sick day -- \$90 versus \$148 per day -- both are more expensive than reducing the total number of sick days accrued).

The suggested changes require a contract modification, and as such may not be implemented until late FY88. The minimum cost savings anticipated is \$103,000, and includes a change to the BRAC contract alone.

### 3. Limit Overtime Pay to Employees that Worked a Full-Week

The RTD-BRAC and RTD-ATU labor agreements provide for payment of overtime premiums whenever a maintenance employee works on their day off, irrespective of the number of hours actually worked in the balance of the week. The only exception is when a furloughed employee who does not hold an assignment and who has not worked 40 hours can fill a BRAC position. This is not a common occurrence. When overtime work is required (more than 10 percent of total maintenance hours are worked as overtime at RTD), it is assigned to maintenance employees on a rotational basis. Accordingly, it is a normal practice for RTD maintenance employees to make up (and most likely exceed) wages lost through an unpaid

absence by agreeing to work overtime (i.e., the employee could miss 8 hours pay through a one-day unpaid absence and gain 12 hours pay by working overtime later that week). The use of overtime relative to short absences is not known for maintenance employees at the present time, as the available information systems (i.e., VMS) were unable to correlate unscheduled overtime with unscheduled absences by person.

In an effort to reduce discretionary absences and overtime premium paid, Price Waterhouse recommends that the RTD limit payment of overtime premiums to maintenance employees that worked at least 40 hours during the week in question. The recommended modification would not prevent maintenance employees from working on their day off if they had not worked a full week for any reason, but it would prevent the payment of the overtime premium in that situation. Employees who worked a full week and worked on their scheduled day off would continue to receive overtime premiums.

The net result of this contract modification would be to remove the incentive that now exists for maintenance employees to financially benefit from being absent, while retaining the RTD's flexibility in filling work positions with all available personnel. We anticipate that this will both reduce one-day absences and reduce the amount of overtime premium paid.

Given the frequency of up to five-day absences amongst the maintenance employee workforce, there is an 11 percent chance that a maintenance employee will have a short-term absence during any one-week period. Assuming an equal distribution of overtime, about 11 percent of working day off overtime would occur by chance during a week where absence occurred (given the financial incentive for combining overtime premiums with short absences the actual figure is likely to be much higher). Given this relationship, implementation of the modification recommended in the ATU contract would result in an immediate minimum reduction of \$139,000 in overtime premiums with no reduction in absences, and

still allow every absence to be made up that is currently with overtime. Because the financial incentive for short term absences is eliminated, we also anticipate a reduction in the short-term absent rate for ATU employees. A 20 percent reduction in one-day absences, without considering two- to five-day absences which would also be impacted, would result in another \$46,000 in annual savings, bringing the total to \$185,000 in anticipated cost savings from the ATU contract modification.

Incorporating the suggested modification is not expected to have as high a payback with BRAC employees. Only 25 percent of one-day absences for BRAC employees are unpaid, as compared to mechanics and servicers who receive no pay for 83 percent of one-day absences. Therefore, overtime is not needed to offset unpaid absences to any great extent with BRAC employees. The maximum annual savings related to modification of the provision is expected to be about \$15,000 for BRAC employees.

This recommended modification would require a labor agreement change for both unions, which may delay implementation until late in FY88; although an earlier negotiation date should provide faster benefits in absence cost savings. It is recommended that management focus on modifying the RTD-ATU provision, based on the magnitude of impact.

A final point requested by Maintenance management in this study, is the cost relationship between overtime premium paid and the fixed costs of a new hire to cover absences. This information is provided below, as a suggested guideline for management.

The cost of covering an absence with overtime, assuming that adequate labor is available and willing to work a second shift or on their scheduled day off, includes the premium cost of overtime (i.e., one-half hour of extra pay for every one hour worked) and variable benefits. This results in the following cost estimates:



- o One hour of mechanic overtime is \$8.64
- o One hour of service attendant overtime is \$6.83
- o One hour of BRAC overtime is \$7.55

Covering the same hour of absence with a new full-time employee incurs a different set of costs (i.e., those "fixed-costs" per employee). The costs of a new employee include fixed benefits (e.g., medical, life insurance, worker's compensation, uniforms), wage and variable benefits cost of holidays and vacations, and wage and variable benefits cost of paid absences. The annual costs of employing one additional person are:

- o One mechanic at \$11,784
- o One service attendant at \$10,944
- o One BRAC employee at \$11,264

The breakeven point on the costs of overtime is dependent on the number of hours to be worked. For example:

- o One hour to 1,363 annual hours of mechanic work time is less costly at overtime, and 1,365 to 1,767 hours of mechanic work time is less costly at straight time (i.e., at 1,364 hours the costs of overtime and an additional hire are equal).
- o One hour to 1,601 annual hours of service attendant work time is less costly at overtime, and 1,603 to 1,727 is less costly at straight time with another employee -- provided that overtime is covered by other service attendants. If overtime is covered by mechanics, one hour to 1,267 hours is less expensive with overtime and 1,269 to 1,727 hours is less expensive with an additional employee.

- o One hour to 1,492 annual hours of BRAC employee work time is less expensive on overtime, and 1,494 to 1,752 annual hours is less expensive with an additional employee.

Maintenance management should use these guidelines to determine the lowest cost alternative for meeting extra work requirements. It does not require a contract change to adjust the mix of overtime and straight time. The guidelines may not apply to all situations, as the work time may be focused on one or two months and not distributed across the year. The consultant did not examine the mix of additional work time by skill area or location, so no cost savings are identified. It is recommended that the Maintenance Department examine current overtime use by location and skill type and compare it to the guidelines discussed above. It is suggested that this be reviewed in conjunction with the performance auditor six months from the date of this report.

4. Consider Maintenance Employee Attendance as a Major Formal Criterion for Promotion

Currently, maintenance employee attendance is considered informally to some extent in promoting maintenance personnel to supervisory positions and for providing pay grade raises (e.g., utility B to A, mechanic B to A). Since most maintenance employees are motivated to improve their pay grade and many to become supervisors, the RTD should ensure that these persons have a predisposition to good attendance. This is particularly important for supervisors who are then asked to enforce attendance policies and programs. Maintenance employees who desire these promotions and pay increases would then carefully consider the amount of discretionary leave that they would want to risk.

The RTD should formally include attendance records as a major criterion for promotions and pay grade increases, and communicate this to all employees and management. The formal (i.e., written)

statement should require tabulation of absences over the review period and establish acceptable thresholds for performance. This should be done as soon as possible (i.e., before the close of FY87), and requires no contract change. Management has the right to establish employee performance criteria.

There is no identifiable cost with the implementation of this program. While the likely absence reduction is unknown, it will clearly demonstrate a strengthening of management's concern for attendance. It should also facilitate enforcement of absence policies and rules as supervisors will have had to have good attendance while in the maintenance floor environment.

5. Formalize Screening of Job Applicants for Attendance at their Prior Workplace

Historical attendance performance is often a good barometer of what can be expected of a new employee. Given the importance of good attendance in transit maintenance employees, it is essential that the RTD verify its applicants' previous attendance records to ensure it is hiring a dependable workforce in a consistent manner. It is recognized that RTD does this informally now -- this should be formally established and routinely applied.

It is recognized that there are constraints to this as some new maintenance employees may have had no prior work experience and some prior employers may not retain, or provide, adequate information. Even so, many other employers have cited significant improvement in attendance after implementing similar procedures. It is recommended that RTD make this a routine part of applicant evaluation and inform applicants of the importance of attendance during interviews.

This requires no contract change, and RTD should consider formalizing this part of the program by early 1987. No direct cost

is anticipated -- screening of applicants is a normal, ongoing process at RTD. While the program is expected to produce some absence reduction savings, the magnitude is not known.

E. PROGRAM FOR POOR ATTENDANCE

The purpose of this program is to reduce chronic absenteeism, which was defined as employees with 40 or more days of unscheduled absences per year. In Section II of this report, we documented that approximately 11 percent of the mechanic workforce, 22 percent of the service attendant workforce and 8 percent of the BRAC employee workforce reside in this category. This yields almost 14,500 days per annum, at a cost of \$2.1 million annually. More than sixty percent of these days lost are in occurrences of five days in duration.

Currently, RTD employs three measures to combat chronic absenteeism. First a progressive discipline procedure has been established which is triggered by the number of instances of absence and their duration in a rolling six-month period. Second, the RTD prorates the accrual of vacation leave based on maintenance employee attendance, if more than 100 work days are missed for BRAC employees and 85 days for ATU employees. The criteria for the application of both these measures was described in Section III of this report. Third, the RTD utilizes a visiting nurse program to help monitor and reduce chronic absence.

Despite these measures, some 15 percent of the RTD maintenance employee workforce exhibit evidence of chronic absenteeism. Chronic absences, as defined in Section II, refer to employees with a minimum of 40 unscheduled days of absence per person per year, and an average of 68 absences per mechanic per year, 73 days per service attendant and 60 days per BRAC employee -- exclusive of indefinite leave (i.e., instances of leave over 30

days in duration). We have identified three steps that the RTD should consider to reduce the size and cost of chronic absenteeism:

- o Modify the progressive discipline schedule for excessive absenteeism
  - o Require maintenance employees to provide a doctor's verification when returning to duty from a five-day sick leave absence
  - o Clarify responsibilities and procedures for monitoring maintenance employees on four- and five-day absences
1. Modify the Progressive Discipline Schedule for Excessive Absenteeism.

The current RTD attendance policy, implemented in January 1986 and described in Section III of this report, calls for progressive discipline for six or more instances of absence, and/or 3 or more instances totalling 60 hours within a 6-month period. The term absence in the policy refers to unscheduled absences, and excludes vacation, holidays, military leave, bereavement leave, off with permission and occupational. Two tardies are counted as one instance of absence.

The current program is somewhat complex and may be confusing to some employees. An initial point of confusion is that the policy statement conveys that absences are evaluated over a six-month floating period, but the management guidelines indicate that the absences are evaluated over a fifteen month period (i.e., management actions are recommended after three month increments with termination advised after 15 months of continued poor performance). It is not clear that employees understand that their performance over a floating six-month period is also used to

establish employee performance over a fifteen month period relative to discipline. This potential communication problem could result in difficulties if cases are taken to arbitration.

A second concern with the current program is that while absences are cumulated on a six-month floating basis tied to absence occurrences, management guidelines appear to be tied to fixed blocks of time. For example, an employee is in violation of the attendance policy if he/she incurs six instances or three instances totalling 60 hours or more within a floating six-month period. Upon the first violation, a counseling letter or interview is rendered. Now, management guidelines indicate that the employee must bring attendance into compliance with the attendance policy within three months or be suspended. The implications of this action for an employee who exceeds the allowance in the final 3 months of a six-month period (e.g., has 3 instances totalling more than 60 hours in months four through six of the floating six-month period), cannot possibly bring performance in compliance with the policy within three months. The result is two levels of discipline for the same exact absence incidents -- sometimes referred to as double jeopardy. Such an instance is likely to have unfavorable labor and legal improvements.

Another concern with the management guidelines is that they appear out of sync with the absence accumulation program. The six-month floating period appears to begin with an absence incident and will accumulate all absence incidents and hours from that date forward for six months. At six months and one day after an incidence of absence, the first day of the next six month tally begins with the next absence incidence in sequence.

The management guidelines appear to relegate management actions to three-month fixed cycles, beginning on the day of the first violation of the policy. The guidelines do not address what management actions should be taken if an employee exceeds the policy by a wide margin during the three-month compliance grace period

(e.g., an employee could have 8 or 9 instances over that period). The result is a weak link between policy and management administration of the policy.

Finally, the current policy absence allowances do not appear to reflect current absence experience, as demonstrated in Exhibit V-2. The number of instances allowed in six months protects the average employee from disciplinary action, and places the average chronically absent employee just over the allowable amount of instances. This is probably reasonable, although the number of days could be reduced to impact all maintenance employees with 40 or more days of absence.

The second tolerance level (i.e., three instances of 60 or more hours) does not appear to reflect absence experience as well. In this case, the average mechanic, service attendant and BRAC employee would exceed the allowable absence term every 6-month floating period, and the chronically absent would exceed it by half every six-month period. This part of the policy may be excessively restrictive given past employee performance.

Price Waterhouse recommends that RTD seriously consider changing this program to enhance the potential benefit toward controlling excessive absenteeism. Towards this end, we recommend that the following elements be incorporated into a policy:

- o Extend the absence accumulation period from a floating six-month period, to a floating 12-month (i.e., 365 days) period. Absence incidents should initiate the 12-month accumulation, with an absence cleared from an employee's current disciplinary record 366 days after the first day of absence (regardless of duration). It is important to note that all other operators surveyed (Section IV) utilize a 12-month cycle. A shorter period discludes absences faster, but may act faster with discipline as well. The latter is not true with

COMPARISON OF AVERAGE ABSENCE  
RATE AND DURATION TO POLICY

	<u>Average All Employees</u>			<u>Average Chronically Absent Employees</u>		
	<u>Mechanics</u>	<u>Service Attendants</u>	<u>BRAC Employees</u>	<u>Mechanics</u>	<u>Service Attendants</u>	<u>BRAC Employees</u>
1. Average Duration of Absences in Days	2.6	3.6	2.9	4.1	4.0	3.7
2. Average Duration of Three Instances in Hours	62.4	85.2	69.2	99.0	96.0	89.1
3. Average Number of Instances in Six-Month Period	2.9	3.1	3.0	6.3	7.0	6.6



RTD's proposed draft policy (planned for implementation in November 1986), which considers termination at 11 instances in 6 months. Based on the analysis included in this study, Price Waterhouse recommended considering termination at 11 instances in one year.

- o Change the management guidelines to directly match the employee cumulation cycle. Currently, the employee cumulation cycle is six-months in duration, and the management guidelines cover employee performance over a fifteen month cycle. We recommend that RTD management guidelines be changed to incorporate every level of disciplinary action (i.e., counseling through termination), within the employee absence accumulation cycle (i.e., 12-months). It is further recommended that all disciplinary actions be prompted by an incidence of absence rather than a fixed three-month cycle (i.e., if an employee exceeds the absence allowance on any day of the year, act immediately). Note that all other operators surveyed use a 12-month full disciplinary period, and coordinate disciplinary actions exactly with absence occurrences. RTD's planned draft policy does incorporate this action, albeit it is focused on a six-month period.
  
- o We recommend that progressive discipline be based on the number of instances and duration of absences occurring in a 365-day floating period, with the following progression:
  - 6 instances and/or 80 hours of absence, mail a status note as a warning
  
  - 7 instances and/or 100 hours, counsel the employee

- 8 instances and/or 116 hours, suspend for 1 to 3 days
  - 9 instances and/or 130 hours, suspend for 5 to 10 days
  - 11 instances and/or 160 hours, proceed with hearing for potential termination of employment.
- o Retain the current definition of absences, although the District may consider omitting jury duty from the policy as well. Continue to count two tardies as one incident and eight hours of absence.

This program would target chronic absenteeism, defined as employees with 40 or more days of unscheduled absence per year, for discipline, while protecting good and marginal performers from disciplinary action. If effectively implemented, the District could expect a minimum of a 50 percent reduction in absence days lost from the chronically absent group (i.e., about 15 percent of total employees). This would result in a minimum savings of \$1.1 million in the first year of implementation, with even higher savings anticipated if the program is strictly applied (e.g., \$1.5 million). RTD should cost out its proposed program using the methodology shown in Section VI and running absence reports on rates for individuals impacted by the policy. It is important to note that the policy being considered by RTD would not consider termination for employees with fewer than 60 unscheduled absences days in one year. This compares to the Price Waterhouse proposal of 20 days, WMATA's policy of 8 days, CTA's policy of 20 days, SDTC's policy of 23 days, MTC's policy of 33 days and Tri-Met's policy of 37 days (as discussed in Section IV).

Because this is not a contractual provision at present, management could implement this program by winter of 1987 (e.g., time

is needed to adopt and communicate the policy, discuss it with employees and establishing tracking and implementation responsibilities). However, management should consider negotiating the policy with the union outside of the labor agreement (or may even include it within the formal contract) to gain acceptance. An important lesson learned from other transit operators is that union involvement in policy development generally gives the policy a stronger sense of authority and support. All agencies with union involvement reported fewer arbitration cases than those without union participation. RTD has followed this practice in preparing the draft policy for November 1986.

2. Require Maintenance Employees to Provide a Medical Verification of Illness when Returning to Duty from a Four- or More Day Sick Leave

The current RTD-ATU and RTD-BRAC contracts have two provisions related to employee reporting of sickness. First, RTD can request a doctor's certificate for all paid sick leave claims, although the District may have to pay the expense of obtaining a certificate. Second, the contracts indicate that an employee must submit a doctor's release after three days of sick leave (BRAC) and after four days (ATU). The doctor's release must state that the employee is well enough to return to work.

RTD should consider requiring a doctor's certificate noting that the employee was ill and incapacitated relative to work for absences of four- or more days in duration. This should provide a deterrent to some four- and five-day absences, which account for almost 60 percent of total maintenance employee absence days. Because it is the largest single category of leave, there is a significant opportunity for abuse. The suggested change should reduce overall sick leave, and support the disciplinary program described earlier. The extent of potential absence reduction is not known. Implementation would have to occur after the next contract negotiations, currently scheduled for late FY88.

3. Clarify Responsibilities and Procedures for Monitoring Maintenance Employees on Four- and Five-Day Absences

As discussed in Section III, the District has one monitoring program for maintenance employees on unscheduled absence. This is the visiting nurse program. While it is helpful, the program has limited resources and no formal guidelines to direct action. The RTD should consider establishing employee monitoring guidelines formally (e.g., telephone at 4 days of absence, visit at 5 days) and then provide resources to carry them out. In addition to nurse visits, the District can use supervisors and fellow workers (with good attendance) or personnel staff. Many different types of organizations have cited substantial reductions in the duration of absences after implementing a rigorous home contact program.

Both the cost and savings depend entirely on the District's formal guidelines. As mentioned above, the program is expected to put downward pressure on the length of absences, which is a significant cost concern at the RTD. The program will also reinforce the importance of the employee's return to work, and serve to avert fraud. No contract change is required, albeit the District must budget funds for the program. Implementation should be considered for FY88 (i.e., July 1987). The plan for formalizing monitoring of four or more day absences, and its budget should be submitted to LACTC for performance auditor review no later than March 1987.

## **VI. REPORTING AND COSTING**

## VI. MAINTENANCE ABSENCE REPORTING AND COSTING

This section of the report addresses issues related to reporting maintenance employee absence rates and monitoring costs of RTD maintenance absences. These are extremely important issues, as one element of any successful management program is feedback to support effectiveness evaluations. Toward this end, Price Waterhouse recommends a method for reporting absence rates and monitoring the cost of maintenance employee absences. RTD should use the cost monitoring methodology to evaluate the impacts of absence programs, schedule targets for reduction, and monitor the savings actually realized.

### A. MAINTENANCE EMPLOYEE ABSENCE RATES

One of the issues that RTD requested Price Waterhouse investigate in this engagement, is a reasonable means of reporting maintenance employee absence rates. Several statistics are available now, including total unscheduled absence hours and days, and percent unscheduled absences. There is a potential for misunderstanding with some of these figures, and there is cause to attempt to report absences in simpler terms.

Price Waterhouse recommends that RTD report maintenance employee absence rates in terms of average days absent per employee. This can be done annually, quarterly, monthly or for any other period. This statistic is generally easier to understand than absence rates reported as a percentage. Further, this statistic will reveal even small changes in absences more readily than a percentage, as the scale is larger (i.e., 2.6 days per employee per year yields a one percent change). The absence rate should be reported separately for each employee class (i.e., mechanic, service attendant, BRAC).

As has been the case in this report, we suggest that two absence rates be reported -- total unscheduled and controllable. Un-scheduled absences include all unscheduled days off. Controllable maintenance employee absences are to include the following categories from the Vehicle Management System (VMS):

- o Sick
- o Occupational injury
- o Off with permission
- o Absent without leave (AWOL)
- o Bereavement
- o Jury duty
- o Non-occupational injuries
- o Sickness in family

Categories not included are military leave (paid and unpaid), long-term leave, leave of absence, and suspension. Further, absences should only be counted if the employee was scheduled to work and did not. Absences occurring when working on a regular day-off should not be included (they are excluded from all absence statistics contained in this report).

The number of maintenance employees, for absence rate calculation purposes, should be reported in full-time equivalent terms. The equivalency should be based on the number of days the employee is employed by RTD (e.g., the number of calendar days worked for the District divided by 365 days for annual purposes), and should not change based on the number of days worked (i.e., working on a regular day off absences were excluded, therefore these work days are to be omitted as well).

The average number of days absent per maintenance employee, separately for each employee class, should be reported on a monthly basis internally to monitor changes in the absence rate. The two types of absence rates (i.e., unscheduled and controllable)

should be reported to LACTC on a quarterly and annual basis, beginning with the quarter ending December 31, 1986 (and reporting for this period not later than one month and one day after the last day of the reporting period). Annual summaries should be provided to the LACTC on a fiscal year basis, and be submitted not later than six weeks after the last day of the reporting period.

## B. MAINTENANCE EMPLOYEE ABSENCE COST MONITORING

Monitoring the costs of maintenance employee absences is an important element of any cost reduction effort. Knowing that a program is or is not meeting cost reduction targets is an essential element of effective management. Price Waterhouse recommends a methodology for cost monitoring of RTD employee absences to help in this matter. The methodology is discussed in three subsections: cost calculation, data parameters and reporting. These may be applied to all absences of an employee group, or any subset of absences. The RTD should automate this process and include costs in the monthly absence trends reports.

### 1. Employee Absence Cost Calculation

There are eight straight-forward steps to determining the cost of RTD absences, as shown in Exhibit VI-1. While the procedure may appear involved, it is relatively simple. We anticipate that RTD will automate the process to produce routine reports on absence cost, thus minimizing the effort required to produce an estimate. The procedure can be applied over any period of time, and can be used to cost out all absences or any portion thereof by specifying the appropriate parameter values.

The process begins by determining the total number of absent days (using the definition of absences presented earlier in this section) in full-day terms. Steps 1 through 3 focus on determining the fixed costs of the additional employees required to fill



COST MONITORING TECHNIQUE

STEP 1: Calculate Days Worked By Absence Coverage Staff

$$\text{WKDY} = \sum_e^{N=3} (\text{SCHD} - (\text{ABR}_e + \text{VAC}_e + \text{HOL}_e + \text{TR}_e + \text{SUSP}_e)) * \text{OTPRO}_e$$

Where:

SCHD = Scheduled Workdays in Period (i.e., 260 in year)  
OTPRO = Proportion of Days Worked on overtime  
ABR = Maintenance Employee Absence Rate  
VAC = Average Vacation Days in Period  
HOL = Average Personal/Floating Holidays in Period  
TR = Average Days of Instruction in Period  
SUSP = Average Days Suspended in Period  
e = Maintenance Employee Class

STEP 2: Calculate Fixed Cost of Coverage Staff

$$\text{FC} = \sum_e^{N=3} (\text{ABS}_e / \text{WKDY}_e) * \text{AFC}_e$$

Where:

FC = Fixed Cost of Absence Coverage Staff  
ABS = Total Maintenance Employee Days Absent in Period  
WKDY = Average Worked Days by Maintenance Employee  
AFC = Average Fixed Cost per Maintenance Employee  
e = Maintenance Employee Class

STEP 3: Calculate Vacation and Training Cost of Coverage Staff

$$\text{VTC} = \sum_e^{N=3} (\text{ABS}_e / \text{WKDY}_e) * \text{VHT}_e * 8 * \text{AWG}_e * \text{VBR}_e$$

Where:

VTC = Vacation and Training Cost of Coverage Staff  
ABS = Total Employee Days Absent in Period  
WKDY = Average Worked Days by Relief Employees in Period  
VHT = Average Vacation, Floating Holiday and Training Days in Period  
8 = Hours per Day  
AWG = Average Employee Wage (dollars per hour)  
VBR = Employee Variable Benefit Rate  
e = Maintenance Employee Class

COST MONITORING TECHNIQUE

STEP 4: Calculate the Cost of Overtime used to Cover Absences

$$OTC = \sum_e^{N=3} ABS_e * OTPRO_e * 4 * AWG_e * VBR_e$$

Where:

OTC = Overtime Cost for Absence Coverage  
ABS = Total Days Absent in Period  
OTPRO = Proportion of Absences Covered by Overtime  
4 = Hours of Premium Pay per Assignment  
AWG = Average Wage (dollars per hour)  
VBR = Variable Benefit Rate  
e = Maintenance Employee Class

STEP 5: Calculate Variable Cost of Maintenance Employee Absences

$$VCA = \sum_e^{N=3} (ABS_e * (1-PROI_e)) * 8 * AWG_e * VBR_e * PROP_e$$

Where:

VCA = Variable Cost of Absences  
FTAB = Total Absences in Period  
PROI = Proportion of Absences Always Ineligible for Pay  
(i.e., AWOL)  
AWG = Average Wage (dollars per hour)  
VBR = Variable Benefit Rate  
PROP = Proportion of Eligible Absences Paid  
e = Maintenance Employee Class

STEP 6: Calculate Total Maintenance Employee Absence Cost

$$Total = FC + VTC + OTC + VCA + PTC$$

Where:

Total = Total Maintenance Employee Absence Cost  
FC = Fixed Cost of Coverage Staff  
VTC = Vacation and Training Cost Coverage Staff  
OTC = Cost of Overtime used to Cover Absences  
VCA = Variable Cost of Absences

assignments vacant due to absences. This includes determining the number of days employees are available to cover absences, the number of workers needed, the fixed benefits provided those workers and the additional wages (e.g., vacation, holiday, training) paid the employees covering absences.

Because some absences are covered by overtime (i.e., working regular day off) rather than with additional staff, the premium cost associated with this type of work is also an absence cost. It is estimated in Step 4.

Step 5 calculates the variable benefits cost paid out for maintenance employee absences (e.g., sick leave, bereavement). Total absence cost is the sum of all these categories.

## 2. Costing Parameters

The values for individual variables used in cost monitoring, shown in Exhibit VI-2, must be updated periodically. The exhibit details every variable needed, the value used in this report, the cycle of change for the value, the next calendar date the value is expected to change and the RTD department responsible for providing the value and updates. It is recommended that the RTD assign someone the explicit responsibility of updating the parameters prior to formulation of routine absence cost estimates for reporting purposes.

## 3. Cost Monitoring and Reporting

It is recommended that RTD monitor maintenance employee absence costs on a monthly basis, and establish a monthly report containing both absence rates and cost. This report should be used to monitor the relative impact of attendance improvement programs, and guide management in fine-tuning these programs. The reports should be structured to show both current absence rates

COST CALCULATION PARAMETERS (08/01/86)

<u>Parameter</u>	<u>Value</u>	<u>Period of Change (Next Change)</u>	<u>Source Department</u>
Absence Days/Rate			
- Mechanics	as shown	Monthly	Maintenance
- Service Attendants	in Section III		
- BRAC			
Days Worked by			
- Mechanics	242	Annually	Maintenance
- Service Attendants	237	(July 1, 1987)	
- BRAC	240		
Average Vacation			
- Mechanics	15 days	Annually	Maintenance
- Service Attendants	10 days	(July, 1987)	
- BRAC	15 days		
Personal Holidays			
- Mechanics	4 days	Contract Term	Maintenance
- Service Attendants	4 days	(July 1, 1988)	
- BRAC	4 days		
Training	1 day	Annually	Maintenance
		(July 1, 1987)	
Proportion Overtime worked	0.10	Quarterly	Maintenance
		(January 1, 1987)	
Average Wage Rate			
- Mechanic	\$15.40	Quarterly	Accounting/Payroll
- Service Attendants	\$12.18	(refer to contract)	
- BRAC	\$13.53		
Variable Benefit Rate			
FICA	7.15%	Annually	Employee Benefits
		(January 1, 1987)	
Pension			
- Mechanics	5.03%	Annually	Employee Benefits
- Service Attendant	5.03%	(July 1, 1987)	
- BRAC	4.41%		
Fixed Benefits			
Life Insurance			
- Mechanics	\$7.20/mo.	Annually	Employee Benefits
- Service Attendant	\$7.20/mo.	(December, 1987)	
- BRAC	\$5.60/mo.		
Medical Insurance			
- Mechanics	\$292/mo.	Annually	Employee Benefits
- Service Attendant	\$292/mo.	(April 1, 1987)	
- BRAC	\$292/mo.		

COST CALCULATION PARAMETERS (08/01/86)

<u>Parameter</u>	<u>Value</u>	<u>Period of Change (Next Change)</u>	<u>Source Department</u>
Uniform			
- Mechanic	\$110/yr.	Annually	Maintenance
- Service Attendant	\$110/yr.	(July 1, 1987)	
Shoes			
- Mechanic	\$85/yr.	Annually	Maintenance
- Service Attendant	\$85/yr.	(July 1, 1987)	
Tools			
- Mechanic	\$110/yr.	Annually	Maintenance
		(July 1, 1987)	
Worker's Compensation			
- Full-Time	\$3,296	Annually	Risk Management
		(July 1, 1987)	
Proportion of Absences Filled with Overtime	0.25	Quarterly (January 1, 1987)	Maintenance
Proportion of Eligible Absences Paid	0.75	Annually (January 1, 1987)	Employee Benefits

and costs, and the net change in rates and cost from the absence data contained in this report (i.e., May 1985 through April 1986).

A quarterly report on maintenance employee absence rates and costs should be provided LACTC. In addition to highlighting the net change in absence costs and rates, the quarterly report should briefly summarize the attendance improvement actions taken over the fiscal year. The report should be delivered to LACTC not later than one month and one day after the last day of the reporting period. The first report should cover the period ending December 31, 1986.

LACTC should also be provided an annual report within six weeks after the last day of the fiscal year, summarizing the year's absence reduction activities and results.