

**CITY OF COLORADO SPRINGS**

**Vacation Buy**

**Plan Document**

**Effective January 1, 2014**

**CITY OF COLORADO SPRINGS  
VACATION BUY PLAN  
Effective January 1, 2014**

**ARTICLE I. PURPOSE AND COORDINATION WITH OTHER PLAN**

- 1.01 This Plan is established for the exclusive benefit of Employees to provide Employees with vacation time in an amount above what they would get in the normal scope of their employment.
- 1.02 This Plan shall be administered in conjunction with the Cafeteria Plan.

**ARTICLE II. DEFINITIONS**

When capitalized, the following words and phrases have the meanings set forth below, or, if not set forth below, have the meanings set forth in the Cafeteria Plan:

- 2.01 “Cafeteria Plan” means the Cafeteria Plan adopted by the City.
- 2.02 “Compensation” means an Employee’s base salary, excluding overtime and any other remuneration.
- 2.03 “Non-elective Paid Time Off” means vacation leave and personal leave.
- 2.04 “Participant” means an Employee who participates in this Plan.
- 2.05 “Plan” means this plan.
- 2.06 “Vacation Buy” means paid time off a Participant purchases under this Plan.

**ARTICLE III. PARTICIPATION AND SALARY REDUCTION**

- 3.1 An Employee participates in this Plan by participating in the Cafeteria Plan and electing to Contribute to this Plan.
- 3.2 A Participant may elect to purchase Vacation Buy, in one hour increments, in an amount not greater than the lesser of the number of hours the Participant is regularly scheduled to work each week or 40 hours. A Participant who is regularly scheduled to work 40 hours per week or more must purchase a minimum of eight hours of Vacation Buy. A Participant who is regularly scheduled to work 30 hours or more per week, but less than 40 hours per week must purchase a minimum of six hours. A Participant who is regularly scheduled to work less than 30 hours per week must purchase a minimum of four hours of Vacation Buy.

- 3.3 A Participant shall Contribute each Plan Pay Day an amount determined by multiplying the hourly rate of Compensation of the Participant as of the day participation commences by the number of hours of Vacation Buy selected by the Participant, divided by the number of Plan Pay Days remaining in the Plan Year.
- 3.4 Vacation Buy is available for use as of the day participation commences, but is not deemed to be taken until all Non-elective Paid Time Off is taken, determined as of the earlier of the date participation ceases or the last day of the Plan Year.
- 3.5 Unused Vacation Buy as of the date immediately following the first Plan Payday in December shall be converted into cash by multiplying the hourly rate of Compensation (as of the final payday in December, regardless of whether it is a Plan Payday) of the Participant by the number of hours of unused Vacation Buy. The Administrator shall pay the amount determined above to the Participant on or before the last day of the Plan Year. Notwithstanding the above restriction, the Administrator has the discretion to permit a Participant to elect to forgo the conversion of the unused Vacation Buy into cash and to use the Vacation Buy during the period starting after the first Plan Payday in December but on or before December 31 if the Participant agrees to forfeit any unused Vacation Buy that is not used on or before December 31. A Participant who terminates service during the Plan Year shall be paid for any unused Vacation Buy (at the hourly rate as of the date the Participant terminates service) remaining as of the date the Participant terminates service.
- 3.6 A Participant who has not made Contributions in an amount sufficient to pay for the Vacation Buy taken as of the earlier of the date of separation from service or the last day of the Plan Year shall, to the extent permitted by law, pay the City the amount of the insufficiency from any amounts owed the Participant by the City. Any insufficiency remaining after all funds owed the Participant by the City have been paid shall be collected by the Administrator as a debt of the person to the City.
- 3.7 The Administrator may permit a change in election as a result of a Change in Family Status, but an election to reduce the number of hours of Vacation Buy will be presumed to be “not consistent with the Change in Family Status.”

#### **ARTICLE IV. ADMINISTRATION**

- 4.1 Article V of the Cafeteria Plan shall apply to this Plan and is incorporated by reference.

**ARTICLE V. AMENDMENT AND TERMINATION**

5.1 Article VI of the Cafeteria Plan shall apply to this Plan and is incorporated by reference.

**ARTICLE VII. GENERAL PROVISIONS**

6.1 Article VII of the Cafeteria Plan shall apply to this Plan and is incorporated by reference.

Effective the first day of January 2014.

Adopted this 3<sup>rd</sup> day of January, 2014.

C. Mrs. Pelli  
Name  
Dir. H.K.  
Title