

## Understanding Vacation Accrual and Implementation Under the New Agreement

Under our new collective bargaining agreement we have changed the way in which we earn and are credited for our vacation. In the past we earned and were credited with vacation time for each month we were in active service (on payroll for more than 15 days). Effective January 1, 2013, we will embark upon a new method by which vacation is accrued. It can be difficult to understand because the benefits accrual determination period runs July 1<sup>st</sup> each year through June 30<sup>th</sup> of the following year and is based upon the amount of hours each Flight Attendant has been credited. The benefits determination year seems a bit contradictory to the taking of our vacation which is bid upon and awarded using a calendar year method (January - December).

The initial application of this new accrual system required a one-time alternate solution in order to work because we'll be implementing the contract on January 1, 2013. As such we were unable to use the value of a full year benefit accrual period (July 1 - June 30). The benefits accrual period used to determine your 2014 vacation will be January 1, 2013 through June 30, 2013. The pro-ration chart found in Section 20.C. 3.b. will be used to determine how many credit hours you'll need to accumulate in order to receive vacation in accordance with Section 10.A.1.

0-174 Credit Hours	175-269 Credit Hours	270 + Credit Hours
No 2014 Vacation Accrual	½ of Full Time Vacation Accrual in 2014	Full Time Accrual in 2014

As a reminder for the years 2013, 2014, and 2015 only there are unpaid vacation restrictions that will apply. Please review Section 10 for more information.

### **New Hire Flight Attendants:**

Because newly hired Flight Attendants will have less than a full year's seniority for purposes of determining the amount of vacation accrued and may also have two years in which they are unable to fulfill the complete benefits determination period, the following implementation schedule has been developed (Section 10.B.3. of the contract):

**New hire Flight Attendants who are on active status for less than a full year by Dec 31 will be entitled to bid for all vacation projected to be accrued by December 31. The amount of vacation days eligible for bid will be determined as follows:**

Vacation for new hire Flight Attendants who go on payroll prior to June 30th shall be determined in the following manner:

Using the total number of qualifying hours projected to be credited by December 31st, and the total number of months of active service, the chart in 20.C.3.(Qualifying Hours

for Full Benefits column) will indicate the number of prorated days of vacation for which the Flight Attendant is eligible to bid. Each month of vacation accrual is worth 1.167 days of vacation and will be rounded up to determine the full amount of eligible vacation days.

For Example:

A Flight Attendant hired on May 15th is projected to be credited with 550 hours and will be active for 8 months by December 31st. The Chart in 20.C.3. indicates that that she/he has qualified for Full Benefits Accrual for her/his 8 months of active service. To calculate the amount of vacation for which the Flight Attendant may bid on October 1st, the number of qualifying months will be multiplied by the monthly vacation accrual (1.167 days/ month).

$8(\text{months}) \times 1.167(\text{days of vacation}) = 9 \text{ days of vacation for which the Flight Attendant may bid.}$

Vacation for new hire Flight Attendants who go on payroll after June 30th shall be determined in the following manner:

- 1) The amount of vacation bid in the Flight Attendant's year of hire will be determined as set out in 3.a. above.
- 2) The amount of vacation bid in the year immediately following the Flight Attendant's year of hire will be determined by the number of months of active service during the "period of accrual" (July 1st – June 30th). The chart in 20.C.3. will indicate the number of hours the Flight Attendant must accrue, given the number of active months she/he served, in order to qualify for the full vacation accrual of 2 weeks, in accordance with A.1. above. Such vacation will be bid in the qualifying year and taken in the following year.

For Example:

- A Flight Attendant hired in October, 2012 is projected to be credited with 225 hours by December 31st and will be on active service for three months. According to the chart, she/he qualifies for three month's- worth of vacation days accrual to be taken in 2013:  $3(\text{months}) \times 1.167(\text{days of vacation}) = 4 \text{ days of vacation.}$
- The same Flight Attendant's vacation accrual to be bid in 2013 and taken in 2014 will be determined in the following manner: The Flight Attendant need only be credited with 405 hours by June 30th 2013 in order to qualify to bid her/his full 2 week vacation accrual, in accordance with A.1. above. The qualifying period for this Flight Attendant is October 2012 – June 2013, which is 9 months. For full benefits accrual, the chart indicates that a minimum of 405 hours must be accrued.

- ❖ NOTE – New hire Flight Attendants with additional “Company Seniority” shall have their first year’s vacation accrual determined in accordance with Side Letter I.