

301-1 MILITARY LEAVE PROCEDURE

1.1 Purpose. The purpose of this procedure is to implement Tarrant Regional Water District's Board Policy for Employment Practices. Tarrant Regional Water District (TRWD) complies with the Uniformed Services Employment and Reemployment Rights Act ("USERRA"), the federal law that governs leaves of absence for military service men and women as well as Texas Government Code § 437.202. TRWD will not discriminate against any current or prospective employee based on past, present, or future application for or membership in a uniformed service.

1.2 Scope. This Military Leave Procedure applies to all departments, divisions, and offices within TRWD, and to all TRWD employees who are an enlisted service member in the United States Armed Forces or Texas Military Forces.

1.3 Definitions.

Differential Pay – Where applicable, the difference in daily TRWD wages versus military daily wages. Differential pay is calculated as follows:

- Daily TRWD wage is based on a regularly scheduled work day (8, 10, or 12 hours), not including overtime. By way of example:
 - Employee's hourly rate (\$25.00), multiplied by
 - Number of regularly scheduled daily work hours (10, as illustrated in this example), totals
 - Daily TRWD Wage of \$250.00**
- Daily military wage is calculated using the military pay stub. By way of example:
 - Gross wages for the corresponding time frame (\$2,000), divided by
 - Number of days included on the corresponding military pay stub (15), totals
 - Daily Military Wage of \$133.33**

When applicable, as provided by X.4.4, differential pay is only available for employees whose daily military wage is LESS than their regular daily wage at TRWD.

1.4 Notice of Military Leave. Employees are required to give advanced written or verbal notice for military service unless circumstances make it unreasonable to provide advanced notice. A United States Armed Forces or Texas Military Forces issued document identifying the employee and the anticipated dates of leave should be provided to the Human Resources Manager as soon as reasonably possible. Exceptions to advanced notice may be permissible in accordance with USERRA.

1.4.1 Military Leave Wages. The District will pay 100% of the employee's normal rate of District pay for the first fifteen (15) regularly scheduled working days missed due to military service per federal fiscal year (October 1 – September 30). Eligible employees, who do not utilize a Floating Holiday bank, will receive normal compensation for scheduled TRWD observed holidays that occur while on military leave. These payments will be made on the normal payroll schedule and normal payroll deductions will apply.

1.4.2 Medical Insurance Coverage. Employees and their dependents that are currently participating in TRWD's sponsored group health care plan are entitled to continue medical coverage while the employee is on military leave. If the employee and dependents become eligible for military coverage, then the District's coverage will be secondary and the military coverage will be primary. The employee is responsible for the portion of dependent medical coverage premiums that is currently deducted from their pay.

1.4.3 Benefit Premiums and Payroll Deductions. After the first fifteen (15) regularly scheduled working days missed due to military service in each federal fiscal year the employee may not receive District compensation, unless in accordance with section X.4.4 below, and will be responsible for ensuring benefit related premiums and miscellaneous payroll deductions are paid in accordance with USERRA. The employee may choose from the following two (2) options:

- a) Utilize Paid Leave, Holiday time, and/or Floating Holiday hours to fulfill the monthly premium requirement for benefits as well as miscellaneous payroll deductions.
- b) Provide TRWD with a check or money order by the 5th of each month to fulfill the monthly premium requirement for benefits as well as miscellaneous payroll deductions.

1.4.4 Differential Pay. For missed regularly scheduled working days sixteen through thirty (16-30) related to military leave per federal fiscal year, the employee may furnish TRWD with a military pay stub to determine eligibility for potential differential pay.

Employees may provide Human Resources with a military pay stub for wages paid during days sixteen through thirty (16 – 30) while on military leave. Human Resources will perform a differential pay analysis to determine if the employee is eligible for differential pay. If the analysis deems the employee eligible for differential pay, TRWD will process the payment on the normal payroll schedule and normal payroll deductions will apply to the extent that wages are available. If the differential pay is not adequate for normal payroll deductions, the employee remains responsible for ensuring payment for benefit premiums and miscellaneous payroll deductions is made to TRWD by the 5th of each month.

Alternatively, employees may wait until their return from military leave to provide Human Resources with the applicable military pay stub for missed working days sixteen through thirty (16 – 30). The deadline for providing the associated military pay stub is sixty (60)

calendar days after the employee's return from military leave. Upon completion of the differential pay analysis, applicable differential pay will be processed on the next regularly scheduled payroll cycle. Failure to provide a military pay stub to Human Resources within sixty (60) calendar days of returning from military leave will result in ineligibility of differential pay for the specified time frame.

TRWD will not provide additional compensation or differential pay to employees who are on military leave more than thirty (30) regularly scheduled working days in a federal fiscal year.

1.4.5 Paid Time-Off Accruals. Paid Leave and Extended Sick benefits will remain in effect for the duration of the employee's military leave and accrue at the same rate as if the employee were continuously working.

1.4.6 Retirement Contributions. 401(a) contributions will remain in effect and vesting time will accrue as if the employee were continuously working. Bi-weekly 401(a) contributions will be calculated at 13% of processed Paid Leave, Holiday time, Floating Holiday, and/or TRWD military leave and eligible differential pay.

1.4.7 Returning to Work After Military Leave. Upon the employee's return from leave lasting up to 90 days, the employee will be placed in the position he/she would have attained if they had continued working during the timeframe of their military leave. However, if the leave lasts longer than 90 days and the employee is not qualified for the position they would have attained if they had been continuously working, the employee can be reinstated to a position of like seniority, status and pay to the position held at the beginning of the leave. In addition, reasonable efforts will be made for the employee to receive refresher training and any training that they would have received had they remained working.

1.4.7.1 Limitations on Returning to Work. Employees can be granted a leave of absence of up to 5 years or longer if the leave is covered under applicable laws. However, there are specific time limitations for application for reemployment that must be observed. The following are guidelines for employees performing military service for:

- a) **Less than 31 days** – the employee must report to work on the next regularly scheduled workday following completion of service, after allowance for safe travel home from the military duty location, and an 8-hour rest period.
- b) **More than 30 days, but less than 180 days** – the employee must report to work within 14 days.

Whenever an employee's military leave exceeds 180 days, documentation in accordance with USERRA may be required. This documentation must show that:

- a) The employee's application for reemployment is timely;

- b) The length of military service has not exceeded the law's limit; and
- c) The person received an honorable discharge.

1.4.8 Additional Information. For additional information related to employee rights and responsibilities, as well as employer rights and responsibilities in relation to USERRA please visit:

- <https://www.dol.gov/agencies/vets/programs/userra>

For additional information related to employee rights and responsibilities, as well as employer rights and responsibilities in relation to Texas Government Code § 437.202 please visit:

- <https://www.twc.texas.gov/files/businesses/ch-437-texas-government-code-twc.pdf>.