

**IMMEDIATE
ATTENTION**

EBAP/09/40

March 13, 2009

To: Members of the Executive Board
From: The Acting Secretary
Subject: **Minimum Annual Leave Usage**

Attached for consideration by the Executive Directors is a paper on minimal annual leave usage.

It is not proposed to bring this matter to the agenda of the Executive Board for discussion unless an Executive Director so requests by **noon on Friday, March 20, 2009**. In the absence of such a request, the proposed decision that appears on page 2 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Questions may be referred to Mrs. Shannon, HRD (ext. 37258).

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Minimum Annual Leave Usage

Prepared by the Human Resources Department

Approved by Shirley Siegel

March 12, 2009

To help departments and staff meet the work pressures related to the financial crisis and downsizing, it is proposed that the requirement for staff members to take a minimum of 15 days of annual leave during a financial year be eased for a period of one year.

1. In April 1999, the Executive Board (EBAP/99/44, dated April 16, 1999) approved a change to the annual leave policy that required staff members to use at least a minimum of 15 days of annual leave each financial year.¹ If the staff member fails to use the minimum number of days, the annual leave is forfeited. Leave usage has been compressed in recent months for staff on crisis assignments (see Table 1), and the situation is not expected to improve substantially in the coming months.

Table 1. Less than 15 Days of Annual Leave Used

(number of staff)

	FY 2008	FY 2009 (through – 2/10/09)
Area Departments	109	241
Functional Departments	119	319
Support Departments	60	127
Offices	14	25

Source: HRD, HRIS

¹This requirement does not apply to staff members who have less than one year of service or those who return to duty during the financial year from extended absences.

2. The minimum leave use requirement is a useful measure to promote staff health and well being. At the same time, maintaining this requirement at this time would be unfair to many staff members who are shouldering a major increase in workload and who therefore risk loss of annual leave.

3. The financial impact of this change is viewed as a modest and temporary increase in leave balances for those affected. It is not proposed that the maximum leave carry-over provision of 120 days nor the maximum 60 day payout at the end of service be adjusted at this time. Managers will continue to be encouraged to allow staff to take some minimum time off and accommodate such leave in the work schedules.

4. The proposed change would be in effect for one year. A broader review of leave policies and absence management is currently in progress as part of the Human Capital Management (HCM) project with focus on simplification of policies and procedures. It is expected that proposals stemming from this review will be presented by December 2009.

PROPOSED DECISION

It is recommended that the Executive Board approve the following draft decision:

The requirement under the current annual leave policy for staff members to take a minimum of 15 days of annual leave each financial year or forfeit such leave is temporarily waived for a period of one year. This modification shall become effective immediately.