

San Francisco Formula Retail Employee Rights Ordinances

Frequently Asked Questions

Q. What are the San Francisco Formula Retail Employee Rights Ordinances?

A. The Ordinances regulate the way that retail businesses schedule, retain, and provide benefits to its employees. There are two separate Ordinances:

- **Predictable Scheduling and Fair Treatment for Formula Retail Employees:**
Requires employers to provide employees with two weeks' notice of work schedules, notice of changes to work schedules, and compensation for schedule changes made with less than 7 days' notice.
- **Hours and Retention Protections for Formula Retail Establishment:**
Requires employers to offer additional work to qualified part-time employees before hiring new employees.

Q. Do the Ordinance requirements apply to all of my employees?

A. The regulations apply to all hourly employees working in San Francisco.

Initial Estimate of Minimum Hours

Q. What is the Initial Estimate of Minimum Hours?

A. We are now required to give all new employees a written estimate of the hours they will be working before they begin employment. This estimate should include the expected minimum number of scheduled shifts per month, the days and hours of those shifts, the average number of hours per week for each quarter of the year, and if the employee will be required to work on-call shifts.

Q. When should I provide a new hire with the Initial Estimate of Minimum Hours?

A. You must provide this estimate to all new employees prior to their first day of employment using the new **Initial Estimate of Minimum Hours Form**. The form will be located within Talent EssilorLuxottica Recruiting as a required offer letter template to be completed and sent via email (Select "email as text") when extending the offer. Additional instructions can be found in the offer letter job aid in Talent EssilorLuxottica.

Offer Letter	
Country:	<input type="text" value="United States"/>
Language:	<input type="text" value="English US (English US)"/>
Template:	<input type="text" value="Initial Estimate of Minimum Hours - Required for San Francisco, Seattle, Emeryville"/>
Subject:	<input type="text" value="Initial Estimate of Minimum Hours"/>

Q. Do I have to schedule my new employee the shifts and hours that I provided on the Initial Estimate of Minimum Hours Form?

A. No. This is meant to be our best estimate of expected hours and you are not obligated to provide those specific shifts/hours.

Q. Do I need to keep a copy of the Initial Estimate of Minimum Hours Form I provide to a new employee?

A. No. As long as you complete and send this form to the employee via Talent EssilorLuxottica, you do not need to keep a copy of the form. It will be tracked within the Talent EssilorLuxottica system.

Q. Is this the only form I need to provide to a new employee?

A. No. You must also provide each new employee with an initial work schedule that runs through the date in which the next biweekly schedule is to be posted.

Predictability Pay for Schedule Changes

Q: What is Predictability Pay and how is it paid?

A: Predictability Pay is additional compensation for schedule changes that occur after a schedule has been posted. Predictability Pay should be paid using the “**Predictability Pay**” pay code in your timekeeping system.

Q. When would I owe an employee Predictability Pay if I change a scheduled shift?

A. The amount of Predictability Pay required depends on how much notice you provide to the employee and the length of the modified shift. Use the chart below to determine how much Predictability Pay would be owed.

Advance Notice	Length of Shift	Hours of Predictability Pay (at the Employee's Regular Hourly Rate)
Less than 7 days and 24 hours or more	Any length	1 hour
Less than 24 hours	4 hours or less	2 hours
Less than 24 hours	More than 4 hours	4 hours

Examples:

- 1) An employee is scheduled to work an 8 hour shift. Less than 24 hours before the shift begins, the manager cancels the shift. The manager owes 4 hours of Predictability Pay to the employee.
- 2) An employee is scheduled to work a 4 hour shift from 12:00 p.m. to 4:00 p.m. Less than 24 hours before the shift begins, the manager informs the employee that the shift will be extended to 12:00 p.m. to 5:00 p.m. The manager owes the employee 2 hours of Predictability Pay because 4 hours or less was added to the shift.
- 3) When business is slow, a manager informs employees that they may request to go home early. The manager informs employees that they are neither required to go home early nor required to make such a request. An employee who has worked 4 hours of her regularly scheduled 8 hour shift asks to go home early and the manager grants the request. The manager owes 2 hours of Predictability Pay to the employee because the schedule change was proposed by the manager and she will miss 4 hours of her regularly scheduled shift.
- 4) A manager is notified that the store will hold a special one-day sale in three days. The manager posts a sign in the break room more than 24 hours in advance asking employees to volunteer to sign up to work additional shifts on that day. The manager would owe 1 hour of Predictability Pay to any employee who volunteers because the schedule change was proposed by the manager and at least 24 hours' notice was provided.

Q. Are there any exceptions to owing Predictability Pay?

A. Yes. You would not owe an employee Predictability Pay if you notify of the schedule change more than 7 days in advance or if a schedule change is made for any of the following reasons:

- Operations cannot begin or continue due to threats to employees or property;
- Operations cannot begin or continue because public utilities fail;
- Operations cannot begin or continue due to an act of God (such as an earthquake);
- Another employee previously scheduled to work that shift is unable to work and did not provide at least seven days' notice;
- Another employee failed to report to work or was sent home;
- We require an employee to work overtime (daily, weekly or 7 day); or
- The employee trades shifts with another employee or requests a change in shifts.

Examples:

- 1) An earthquake occurs, causing a store to lose water service and electrical power. As a result, the store closes for the day and sends all employees home. The Company is not obligated to pay the employees Predictability Pay.

- 2) A rainstorm causes a substantial reduction in customers coming into the business. Because of the lack of customers, the manager decides to send several employees home early. The manager must provide those employees with Predictability Pay, in addition to their regular pay for the hours worked that day, because a rainstorm does not qualify as Act of God, entirely prohibiting the business from opening or remaining open.
- 3) A crime occurs next to a store. The police have shut down the block, prohibited businesses from opening, and required businesses that have already opened to shut down. The Company is not obligated to pay employees Predictability Pay.
- 4) An employee calls in unexpectedly for the day due to illness. The manager finds another employee who was previously unscheduled to work to cover that shift. The manager would not owe Predictability Pay because the employee who called in did not give at least 7 days' notice.
- 5) An employee is scheduled to work an 8 hour shift from 12:00 p.m. to 8:00 p.m. Due to a high number of customers coming into the business and high sales volume, the manager informs the employee at 7 p.m. that the scheduled shift will be extended to 10:00 p.m. The manager would not owe the employee Predictability Pay because the additional hours will qualify for daily overtime pay.

Offering Additional Hours to Part-Time Employees

Q. Does the ordinance impact how and when I hire new employees?

A. Yes. You must now offer any additional hours to your qualified existing employees before hiring a new employee (e.g., hours are available because an employee leaves the company or hours are increased for holiday selling). An existing employee, however, is not required to accept our offer of additional hours.

Q. When would I offer additional hours to part-time employees instead of hiring a new employee?

A. You must offer hours to existing part-time employees if they are qualified and we can accommodate their availability with any and/or all of the hours available.

Examples:

- 1) Company A has 3 full-time employees and 1 part-time employee. When an 8 hour shift becomes available, those hours are offered to the part-time employee who indicates that she is able to work only two of those hours. Company A locates a new employee who is able to work the remaining six hours. Company A may not hire the new employee to work the entire eight-hour shift because it would not be burdensome to hire a new employee to work the remaining six hours of the shift.
- 2) Company B has additional hours available to work as a cashier in the hardware section of the store, which requires no specialized knowledge about hardware. Instead of offering the additional hours to Mr. Jones (a part-time cashier in the electronics department), the manager hires a new employee. Company B has violated the Ordinances because Mr. Jones was qualified to work as a cashier in the hardware section as no specialized knowledge was required and the work is similar to his work as a cashier in the electronics section.

- 3) Company C has 20 hours of additional work available. Part-time employees Mrs. Jones and Mr. Smith are each scheduled to work 10 hours and they are both qualified to perform the additional work available. Company C may offer all of the hours to Mrs. Jones, and none to Mr. Smith, or vice versa; or Company C may offer some hours to Mrs. Jones and some to Mr. Smith in whatever order and proportion Company C chooses.

Q. Do I have to offer additional hours to part-time employees if it means I will have to pay them daily or weekly overtime?

A. No.

Q. Do I have to give advance notice to part-time employees to work additional hours?

A. Yes. The offer of additional hours must be in writing or posted in a conspicuous location. The posting can be by paper (e.g., store bulletin board) or electronically (e.g., email from store email address to all store employees).

Part-time employees must accept the offer of additional hours in writing within 72 hours. You may use the **Offer of Additional Hours Form** on HR Solutions to document the offer and acceptance. Once the employee signs the form (whether hours are accepted or declined), please maintain a copy in the employee's personnel file or send to HR Compliance by:

- Fax to 1-866-212-3663
- E-mail to HRCompliance@luxotticaretail.com
- Mail to HR Compliance, 4000 Luxottica PI, Mason, OH 45040

Equal Treatment for Part-Time Employees

Q. Why do part-time employees now qualify for PTO?

A. The Ordinances require that we provide part-time employees with the same access (on a pro-rated basis) to paid time off as that afforded to full-time employees in the same job.

Q. Will part-time employees lose their accrued Sick Leave when they start accruing PTO?

A. No. All Sick Balances will be transitioned to PTO hours. Employees will see a PTO balance on their paychecks beginning October 16, 2015.

Q. When can employees begin using PTO?

A. Employees may use accrued balances immediately, provided the time is approved by management.

Q. Will I still need to track an employee's use of paid sick leave?

A. Yes. Managers will still enter sick leave as "Sick" in CIAO! and eyeNET locations or "PTO – Sick" in Kronos locations for all part-time and full-time employees.

Q. What penalties may we see if we fail to comply with the Ordinances?

A. If we are found in violation of the Ordinances, we may be subject to payment of administrative fines, lost wages and/or penalties (including a \$50 per day penalty per affected employee for failing to provide Predictability Pay or violating equal treatment requirements).

Please remember that retaliation against any employee that asserts his or her rights under these ordinances, or cooperates with the City in enforcement, is strictly prohibited.