

MEMORANDUM

To: PERSONNEL MANAGEMENT LIAISONS

Date: March 10, 1989
Reference Code: 89-07

THIS MEMORANDUM SHOULD BE IMMEDIATELY DISTRIBUTED TO:

Personnel Office Staff

From: Department of Personnel Administration
Office of the Director

Subject: Annual Leave - Bargaining Units 5, 13 and 16

During this past bargaining session, the exclusive representatives for Bargaining Units 5 (Highway Patrol), 13 (Stationery Engineer) and 16 (Physician, Dentist and Podiatrist) agreed to permit their employees to participate in the State's Annual Leave Program under certain conditions. These conditions are: (1) employees in the bargaining unit on effective date will be offered the program on a voluntary basis; and (2) employees entering the bargaining unit on or after the effective date will automatically be placed in the Annual Leave Program. The effective date for the Annual Leave Program for Bargaining Units 13 and 16 is January 1, 1989, and for Bargaining Unit 5 it will be July 1, 1989.

All employees who are new to the bargaining unit on or after the effective date of this contract provision will automatically be placed in the Annual Leave Program.

The Department of Personnel Administration has agreed to conduct an open enrollment period during the months of April and May 1989, during which eligible employees may elect to participate in the Annual Leave Program. The effective date of elections by Unit 5 employees will be July 1, 1989. The effective date of elections by Unit 13 and 16 employees which are received by the 10th of each month will be the first of the following month.

Since the three units have a different operative dates for the Annual Leave Program, the following is a summary of the various important dates.

<u>Bargaining Unit</u>	<u>Operative Date</u>	<u>Open Enrollment</u>	<u>Effective Date of Election</u>	<u>Mandatory for New Ees Here on or After</u>
13, 16	1/1/89	4/1-5/31/89	5/1, 6/1 or 7/1	1/1/89
5	7/1/89	4/1-5/31/89	7/1/89	7/1/89

Departments are requested to reproduce and distribute the attached employee package to eligible employees and process the election documents.

March 10, 1989

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The following information is attached to this memo:

Exhibit 1 Informational package to be disseminated by Personnel Offices to all eligible employees. This package includes:

- Cover memo to employees
- Summary of Annual Leave Program (Attachment A)
- Enrollment form (Attachment B)

Exhibit 2 Instructions for Personnel Officer staff

Exhibit 3 SCO-Listing of Eligible Employees/Report Form.
This form should be used to:

- Identify eligible employees, and
- Report enrollment statistics to DPA

Questions have arisen as to treatment of an employee who is enrolled in the Annual Leave Program moving to a noneligible unit. An election to the Annual Leave Program is irrevocable as is mandatory enrollment because of date of employment in the unit. This means the employee will remain in the Annual Leave Program and continue to accrue leave credits at the same accrual rate as the employee would have received under Annual Leave. This holds true for managerial employees and California Highway Patrol Traffic Sergeants also.

Thank you for your assistance in implementing this program. Questions regarding this memorandum may be directed to your Labor Relations Officer.




Lillian Rowett
Deputy Director

Attachments

MEMORANDUM

To: Eligible Employees

Date: March 15, 1989

From: Department of Personnel Administration
Lillian Rowett, Deputy Director 

Subject: Annual Leave Program

During the past bargaining session, the exclusive representatives for Bargaining Units 5 (Highway Patrol), 13 (Stationery Engineer) and 16 (Physician, Dentist and Podiatrist) agreed to permit their employees to participate in the State's Annual Leave Program. The effective date for the Annual Leave Program is January 1, 1989 for units 13 and 16 and July 1, 1989 for unit 5.

Annual leave is an alternative to the present sick leave/vacation accrual system. The program is described in detail in the attached material. The purpose of this memo is to inform eligible employees of the program and provide an enrollment process for employees who wish to enroll in this program. You should study this material very carefully and, if interested, complete the Annual Leave enrollment form.

The attached informational material contains:

- Attachment A - Summary of the Annual Leave Program
- Attachment B - Enrollment Form

The enrollment period will be April 1, 1989 through May 31, 1989. Employees who wish to make an election to the Annual Leave Program must complete and return the attached enrollment form to their Personnel Office by May 31, 1989. Election forms must be received by the 10th of each month in order to be effective the first of the following month.

If you have questions or need additional information regarding the Annual Leave Program, contact your Personnel Office.

Attachments



SUMMARY OF ANNUAL LEAVE PROGRAM

The Annual Leave Program allows for the replacement of traditional vacation and sick leave credits with a more versatile annual leave pool. It also increases the leave accumulation limit and improves the Nonindustrial Disability Insurance (NDI) benefit to 50% income replacement. The specific provisions include:

Eligibility

Annual leave will be available on an optional basis to employees who are in the unit on the day prior to the effective date of the contract provision. Annual leave will be mandatory for employees who enter the unit on or after the effective date of the contract provision. Employees on T & D assignments are eligible to participate in annual leave only if their permanent civil service appointments and resulting CBID's are in one of the eligible categories.

Leaves

Under the Annual Leave Program, employees earn six days of additional leave in lieu of the current 12 days of sick leave. This is accomplished by adding four hours of annual leave to the existing monthly vacation accrual schedule. Employees who work less than full time will earn annual leave credits pro-rated to their time base. The table below reflects the annual leave accrual rate for a full-time employee:

<u>Current Length Service</u>	<u>Annual Vacation Accrual</u>	<u>Leave Accrual</u>
1 month to 3 years	7 hours/month	11 hours/month
37 months to 10 years	10 hours/month	14 hours/month
121 months to 15 years	12 hours/month	16 hours/month
181 months to 20 years	13 hours/month	17 hours/month
241 months and over	14 hours/month	18 hours/month

This leave can be used to meet the employee's need for paid time off for any management approved absence covered by sick leave and vacation in the past. Employees will be allowed to accumulate up to a maximum of 640 hours of annual leave. Exceptions to this limit will not be allowed except in extremely unusual situations as determined by the Director of the Department of Personnel Administration. Annual leave credits are treated like vacation when the employee separates from the State; employees receive a lump sum payment at full pay for accumulated credits.

Vacation

At the time of enrollment, an employee's vacation balance will be transferred to the Annual Leave Bank. Thereafter, no vacation credits will be accrued.

Sick Leave

Sick leave credits will not be accrued by employees enrolled in the Annual Leave Program. However, sick leave balances in existence at the time of enrollment will be maintained for use by the employee for approved sick leave purposes. Sick leave credits

on the books at the time of retirement will continue to be converted to service credit at current formulas (for miscellaneous employees, 2,000 hours of sick leave converts to an approximate 2% monthly retirement benefit for an employee who retires at age 60).

NDI

The Nonindustrial Disability Insurance (NDI) benefit which covers nonjob related disabilities will be improved for annual leave participants from its current level of \$135/week for 26 weeks to 50% of gross salary for 26 weeks. Disability payments may also be supplemented with annual leave, sick leave and partial employment to provide for up to 100% income placement. At the time of an NDI claim, the employee may elect either the 50% NDI benefit rate or a supplementation level of 75% or 100% of gross pay. Once a claim for NDI has been filed and the employee has determined the rate of supplementation, the supplemental rate shall be maintained throughout the disability period. Employees may choose a different supplementation rate for claims related to subsequent disabilities.

PLEASE NOTE: Employees who enroll in annual leave while on an NDI claim, continue to receive the same NDI pay for the duration of the claim.

Irrevocability

An election to participate in the Annual Leave Program is IRREVOCABLE and shall be effective as long as an employee is employed in State service.

Open Enrollment Period

A 30 day open enrollment period will be offered on an annual basis during which an employee may elect to participate in the Annual Leave Program.

ANNUAL LEAVE ELECTION FORM

Employee Name _____ Unit # _____

Social Security Number _____

Department/Location _____

Phone Number _____ CBID _____

Sick Leave Balance as of April 1, 1989 _____

Vacation Balance as of April 1, 1989 _____

I elect to participate in the Annual Leave Program effective _____
(Date)

I understand that under the Annual Leave Program I will no longer accrue sick leave or vacation credits. Instead, my current vacation credit, plus 4 hours/month will be accrued as annual leave. My sick leave bank will continue to be available for sick leave purposes and conversion to service credit at retirement. I will be eligible to receive 50% NDI benefits (with the ability to supplement with leave credits or partial employment up to 100% salary). I understand that an election to the Annual Leave Program is **IRREVOCABLE** and waive any right to change this election.

I make this election freely and voluntarily.

Signature _____

Date _____

NOTE: If this election is not returned to the Personnel Office by May 31, 1989 it will be deemed an election to stay in the current sick leave/vacation leave accrual system.

PERSONNEL OFFICER
INSTRUCTIONS FOR ANNUAL LEAVE IMPLEMENTATION

Employee Information Package

The employee information package should be distributed to eligible employees as quickly as possible. Employees leave balances should be posted on each election form prior to distribution.

Departments may use the attached forms or adapt the forms to suit their own needs.

SCO Printout/Report Form

The attached SCO printout identifies all eligible employees effective February 17, 1989. Departments should ensure that employees who have moved into an eligible category after February 17th also receive an information package.

When election documents have been returned, the following information should be entered on the SCO printout:

Enter the election choice: Annual Leave (Y). If an election form is not returned, enter an N.

Enrollment statistics should be returned to DPA no later than July 15, 1989.

Time Keeping Process/Forms

All standard time reporting forms should continue to be used with the following modifications:

642 - "Employee Leave Record"

"Vacation Hours" title should be removed and "Annual Leave" should be inserted in its place.

Enter the Annual Leave effective date on the area below "Vacation Group Change Date."

For full time employees, four (4) hours of Annual Leave should be added to the regular vacation accrual schedule and posted to the leave card for each qualifying pay period. (Employees working less than full time will have a pro-rated 4 hours added to their pro-rated vacation accrual.)

Length of Service

Current Vacation Accrual

Annual Leave Accrual
(plus 4 hours)

1 month to 3 years	7 hours/month	11 hours/month
37 months to 10 years	10 hours/month	14 hours/month
121 months to 15 years	12 hours/month	16 hours/month
181 months to 20 years	13 hours/month	17 hours/month
241 months and over	14 hours/month	18 hours/month

Sick leave credits are no longer accrued. The existing bank is maintained for sick leave uses.

634 - "Absence Request" and 672 - "Attendance Report"

The A/L symbol shall be used to indicate when Annual Leave credits have been used.

PAR - "Personnel Action Request," 674D "Industrial/Non-Industrial Disability Pay Request"

Instructions for completing the PAR documents to indicate NDI with supplementation are contained in Section 530 of the Personnel Action Manual under "Special Instructions for NDI Documentation."

