

MEMORANDUM

To: Personnel Management Liaisons

Date: October 31, 1989

Reference Code: 89-63

PLEASE DISTRIBUTE THIS MEMORANDUM IMMEDIATELY TO ALL PERSONNEL OFFICE STAFF AND ALL PERSONNEL TRANSACTION STAFF.

From: Department of Personnel Administration

Subject: Leave Buy Back

We are requesting your assistance in implementing this year's Leave Buy Back program. Employees designated "M", "E97", "E98", "E99", "C" and "S" may participate pursuant to Department of Personnel Administration Regulations 599.744, 599.744.1, and 599.754. Employees in split classes that are designated supervisory may participate and their names will appear on the supervisory list.

Employees with the CB/ID "M" or "E99" may be paid in eight (8) hour increments for up to five (5) days of accrued paid leave at their regular pay rate (as of November 1, 1989). This five (5) day maximum may include one personal holiday credit. Managerial employees, whose leave balance still exceeds the maximum carry over allowed (400 vacation and 640 annual leave) after the initial 40 hours Leave Buy Back may cash in up to an additional 20 hours, in one (1) hour increments, of the excess hours over the maximum. In other words if the manager cashes in between 41 and 60 hours of leave, the vacation balance should still be at or above 400 hours and the annual leave balance at or above 640 hours. Please note that personal holidays cashed out by managerial employees under provisions of Section 599.754 during the preceding twelve months are included in the maximum specified in Section 599.744 and 599.744.1. Please ensure that the number of hours of leave submitted for Leave Buy Back for each employee does not exceed the maximum when combined with their cash-out of a personal holiday during the previous twelve months.

Employees with the CB/ID, "E97", "E98", "C" or "S" may be paid for 8 hours accrued paid leave or one personal holiday at their regular pay rate (as of November 1, 1989).

The State Controller's Office (SCO) has established procedures for efficient processing. SCO will provide each department with an up-to-date worksheet containing the names of all eligible employees. The worksheet will serve to: 1) verify eligibility; 2) if needed, be a worksheet for computing payments; and 3) provide an input document to SCO.

Input documents must be received by SCO by December 8, 1989 to be processed for payment in 1989. Documents received earlier will be processed earlier and checks issued on a flow basis. For example, if documents reach SCO by November 17, 1989, the first payments will be made in early December 1989.

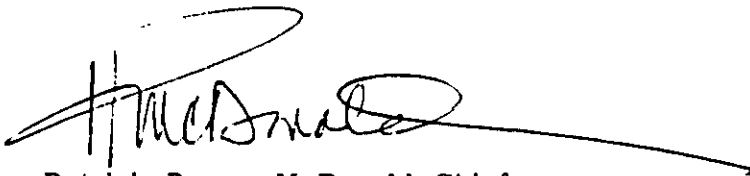
While this program is designed to make payments in December 1989, the program has a flexible feature to allow departments the option of allowing individual employees to elect to receive their payment in 1990. In order to implement this option, departments should carefully follow SCO's instructions included with the worksheets. Employees using this option should be informed that 1990 tax withholding rates and FICA will apply. However, the November 1, 1989 salary will be the basis for payment computation regardless when payment is made.

The following key activities and dates are provided to assist you in scheduling workload.

1. SCO forwards to Departments worksheets containing the names of eligible employees (as of November 1, 1989).
2. Department Personnel Offices forward "Attachment A" to eligible employees indicating their vacation balances and personal holiday status as of October 1, 1989. Departments should wait for the Controller's Office list described under #1, above, because mailing labels will be furnished by SCO.
3. Eligible employees return completed Attachment A to their personnel office.
4. As appropriate, departments post hours and gross payments to worksheets and return them to the SCO.

Payments to be made in 1990 must be processed through the SCO after January 1, 1990.

Please contact Diane Hachey at (916) 322-0300 or ATSS 492-0300 if you have any questions. Thank you for your assistance.



Patricia Pavone McDonald, Chief
Benefits Division

1989 LEAVE BUY BACK ELECTION FORM

Employee _____ Department _____ Unit _____ CB/ID _____

Eligible employees may elect to sell the following leave credits. The minimum leave time which may be subject to Leave Buy Back is one (1) day (eight hours). You may sell one personal holiday to be included in the _____ day maximum. However, managers who were paid cash for a personal holiday in the last 12 months, must deduct 8 hours from the maximum they are allowed to buy back at this time. Supervisors, confidential and excluded employees who were paid cash for a personal holiday in the last 12 months, may buy back an additional personal holiday credit or accrued leave credit. You may also elect not to participate. In order to participate in this program, you must return this form signed and dated. Prompt action on your part will ensure timely payment.

As of October 1, 1989, you had _____ hours of accrued vacation (or annual leave) and _____ hours of personal holiday credit. Please indicate your buy back option:

<u>CB/ID M or E99 (Managerial)</u>	<u>CB/ID M or E99 (Managerial) With LEAVE BALANCES OVER 400 OR 640 HOURS</u>	<u>CB/ID, E97, E98, C or S (Supervisory, Confidential and Excluded)</u>
None ()	Employees may sell	None ()
1 day - 8 hours ()	additional excess hours	1 day - 8 hours ()
2 days - 16 hours ()	up to 20	
3 days - 24 hours ()	Enter number of hours ()	
4 days - 32 hours ()	(1 - 20)	
5 days - 40 hours ()		

- Check if a personal holiday is included in above ()
- Check if you elect to receive payment in tax year 1990 ()

Employees must return the election forms to the personnel office by _____ in order to participate in this year's Leave Buy Back program. Persons who elect not to participate should also return the form.

Payments made in 1989 will be included in W-2 forms for Tax Year 1989 and will not delay receipt of your W-2 form. Payments will not be subject to deductions for retirement. Payments will be subject to the following deduction/withholding, 1990 withholding rates may differ slightly.

Federal Tax Withholding	20.00 percent
State Tax Withholding	3.00 percent
F.I.C.A. (If Applicable)	7.51 percent*
Medicare (If Applicable)	1.45 percent

I make this election freely and voluntarily and hereby waive any right to change the option selected once processing begins.

Signature _____ Date _____

_____ Work Phone Number _____

* 7.65 percent effective 1-1-90.



599.744. ~~Annual~~ Paid Leave Buy Back — Managerial and Related Employees.

(a) An employee designated managerial by the Department of Personnel Administration in accordance with the provisions of Government Code Sections 3513(e) and 18801.1; or a nonelected officer of the executive branch of government exempt from civil service designated by the department as eligible to receive managerial benefits may annually elect to be paid at their regular rate of pay for up to 5 days of unused leave credit. Unused leave credit for which an employee may be paid shall be in 8 hour increments. For the purposes of buy back, eligible leave may be vacation leave, annual leave, or personal holiday.

(b) Any personal holidays cashed out under Section 599.754 during the 12 months preceding annual paid leave buy back, shall be included in the 5 day maximum allowed under this section.

(c) An employee whose leave balance exceeds 400 hours of vacation or 640 hours of annual leave after the initial 40 hours buy back may annually elect to be paid at their regular rate of pay for up to an additional 20 hours of the excess unused leave credit in 1 hour increments.

NOTE: Authority cited: Sections 3517.8, 19815.4(d), 19849.13, 19856 and 19857, Government Code. Reference: Sections 19856 and 19857, Government Code.



599.744.1 Paid Leave Buy Back - Supervisory, Confidential, Excluded, and Related Employees.

An nonmanagerial employee designated supervisory, confidential, or excluded by the Department of Personnel Administration in accordance with the provisions of Government Code Sections 3522.1, 3513(c), and 3513(f); or a nonelected employee of the executive branch of government exempt from civil service may annually elect to be paid at their regular rate of pay for 1 day of unused leave credit. Unused leave credit for which an employee may be paid shall be in 8 hour increments. For the purpose of buy back, eligible leave may be vacation, annual leave, or personal holiday.

NOTE: Authority cited: Sections 3517.8, 19815.4(d), 19849.13, 19856 and 19857, Government Code. Reference: Sections 19856 and 19857, Government Code.

