

State of California

M E M O R A N D U M

TO: PERSONNEL MANAGEMENT LIAISONS **DATE:** October 24, 2003
REFERENCE CODE: 2003-046

THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:

Employee Relations Officers
Personnel Officers
Personnel Transactions Supervisors

FROM: Department of Personnel Administration
Policy and Operations Division

SUBJECT: Personal Leave Program

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This memorandum is to provide you further detail on the Personal Leave Program (PLP).

PERSONAL LEAVE PROGRAM SALARY REDUCTION

The PLP salary reduction shall be based on the employee's base pay. An employee receiving a hiring above minimum or a red circle rate shall only have their base salary reduced.

PERCENTAGE BASED PAY DIFFERENTIALS

Percentage based pay differentials will be based on the employee's unreduced salary.

FLAT DOLLAR PAY DIFFERENTIALS

Flat dollar pay differentials (i.e., plus salary rate) will not change as a result of the PLP.

OVERTIME AND HOLIDAY PAY

An employee's overtime rate and holiday pay shall be based on the employee's unreduced base salary.

RETIREMENT

The employee's and State's share deduction for retirement will be based on the reduced amount.

RETIRED ANNUITANTS

Retired annuitants appointed pursuant to Government Code (GC) Sections 21221, 21223, 21224, and 21225 are excluded from participation in the PLP.

Retired annuitants appointed pursuant to GC Section 21228 shall participate in the PLP.

PLP CREDIT

The Personal Leave Day Program (PLD) which became effective July 1, 2003, for excluded employees, ended with the posting of PLD credits on the first of October 2003. PLD credits accrued during July, August, and September 2003 that have not been used are renamed PLP credits effective October 2003.

All employees who are participating in the PLP will be credited with PLP credit on the first day of the following monthly pay period as follows:

Full-Time Employees

Full-time employees shall be credited with up to a maximum of eight hours of PLP credit. Employees in CBID R08 shall be credited with up to a maximum of one day of PLP credit.

Intermittent Employees

Intermittent employees' PLP credit shall be prorated based upon the number of hours worked in the monthly period as stated in the chart below:

<u>HOURS WORKED</u>	<u>PLP HOURS EARNED</u>
11 to 30.9	1
31 to 50.9	2
51 to 70.9	3
71 to 90.9	4
91 to 110.9	5
111 to 130.9	6
131 to 150.9	7
151 or over	8

Part-Time Employees

Part-time employees' PLP credit shall be received on a prorated basis regardless of the number of hours in the pay period consistent with the chart below:

<u>TIME BASE</u>	<u>PLP CREDIT EARNED</u>
1/10	1
1/8	1
1/5	2
1/4	2
3/10	3
3/8	3
2/5	4
1/2	4
3/5	5
5/8	5
7/10	6
3/4	6
4/5	7
7/8	7
9/10	8

Employees That Work Less Than Their Time Base

Full-time or part-time employees who work less than their time base (i.e., dock, appointed, or separated other than the first day of a pay period), shall have their salary reduced on a prorated basis and the PLP time is credited on a prorated basis. To determine the prorated credit for a full-time or part-time employee, convert the employee's time worked in the pay period to hours and credit the employee with PLP based on the intermittent chart above.

NOTE: CBID R08 employees' PLP credit shall be based upon Department of Forestry and Fire Protection's conversion chart.

ALLOWING PLP TIME OFF

Since the purpose of this program is to reduce personnel expenses during this fiscal crisis, State agencies are encouraged, to the extent operationally feasible, to allow employees to use their personal leave credits as they accrue, rather than letting them accumulate to avoid a future fiscal liability.

PLP credits shall be requested and used by the employee in the same manner as vacation, annual leave, or sick leave in accordance with

departmental policies and applicable contract provisions. When PLP credits are used for sick leave purposes, the appointing power may require the employee to submit substantiating evidence including, but not limited to, a physician's or licensed practitioner's verification. If the appointing power does not consider the evidence adequate, the request for the use of PLP credits may be disapproved. No maximum has been established for the accumulation of PLP credits.

ADDITIONAL POSITIONS

When an employee receives pay for more than one position, each position during the pay period could be reduced by a personal leave reduction. It is not the Department of Personnel Administration's (DPA) intent for any employee to incur a salary reduction in excess of 4.75% for any one pay period. If an employee holds a position in addition to a full-time position, both positions will be reduced. Therefore, departments may need to request an adjustment to the employee's pay to offset any excess reduction or to delete the PLP from the additional position. (See State Controller's Personnel Letter for processing instructions.) If an employee works for more than one appointing power, the primary employer should be responsible for reconciling the employee's salary payments received for each position within a pay period to ensure the employee has not incurred a salary reduction in excess of 4.75% total for all positions. The appointing authorities should come to an agreement to determine which position should be adjusted to offset a reduction in excess of 4.75% of a full-time equivalent position. Just as an employee will not receive a reduction in excess of 4.75% of a full-time equivalent position, he/she will not receive more than eight hours credit (one day if R08).

NOTE: The salary reduction for employees in CBID R05, S05, and M05 shall not exceed 4.62%. For employees in CBID C06, S06, M06, and the classes of Senior Special Agent, Department of Corrections; Special Agent, Department of Corrections; Special Agent-in-Charge, Department of Corrections; the salary reduction shall not exceed 4.67%.

ACCUMULATION OF PLP CREDITS

PLP credits are accumulated separately from vacation and annual leave and do not affect the vacation/annual leave caps for carry-over hours as specified in DPA Rule 599.738.

PLP credits earned in 1992/1993 are kept separate from any PLP credits earned from July 2003/October 2003 forward.

LEAVE DONATION BANKS

PLP credits may be donated or transferred to appropriate leave banks like vacation or annual leave. An employee receiving benefit of a catastrophic leave bank must first exhaust all leave credits prior to eligibility for donated leave.

LEAVE OF ABSENCE

Employees on a leave of absence without pay will not participate in the PLP.

Employees on military leave shall not participate in PLP. Additionally, the employee's 30 calendar days of military leave compensation, or any supplemental pay provided pursuant to the military leave statutes shall not be reduced for the purpose of the PLP.

DISABILITY PAYMENTS

Employees who are on Temporary Disability, Industrial Disability Leave (IDL), Non-Industrial Disability Leave, LC4800 time, or Involuntary Leave for the entire pay period are excluded from the PLP regardless of whether or not they supplement their disability payment. Employees that are on disability for a partial month, or working while on disability regardless of whether or not they supplement, are included in the PLP for all time not covered by the disability/supplementation. This means that employees will receive the unreduced salary for any period of disability, including supplementation, during the pay period with the remaining days being paid at the reduced rate and will receive a prorated amount of PLP credit up to eight hours. Use the intermittent chart above to credit employees with a prorated amount of PLP credit.

Holidays - Holidays are not subject to PLP if the employee is on disability for the entire pay period. However, if the employee works while on IDL or works a partial month and a holiday falls during this working time, the holiday compensation shall be subject to a PLP deduction.

LUMP-SUM PAYMENTS UPON SEPARATION OR RETIREMENT

Separations Effective October 1, 2003 and After - Lump-sum payments shall be paid based on the employee's unreduced salary. PLP and PLD (renamed to PLP) credits accrued prior to the employee's separation date shall be paid the same as vacation, based on the employee's

unreduced salary. An employee shall not accrue any additional PLP credits beyond his or her separation date.

Separations Effective From July 1, 2003 Through September 30, 2003 - For PLD only; excluded employees shall be paid lump-sum payments based on their salary rate prior to PLP. Any PLD credits accrued prior to the employee's separation date shall count towards lump-sum projection for payments. Additional PLD credits are also given for each qualifying month of projection from July 1, 2003, through September 30, 2003. However, if the employee's lump-sum projection continues through the October 2003 pay period and after, the employee is given a general salary increase effective October 2003, and lump-sum projection for PLD credits are discontinued. (See State Controller's Personnel Letter for processing instructions.)

SAVING PLUS PROGRAM

Prior to separation, any unused PLP credits can be rolled over to deferred compensation like annual leave or vacation within the limits of the 457 and/or 401K plans.

If personnel office staff has any questions regarding the PLP, they may contact Bernice Torrey, Personnel Analyst, within the Policy and Operations Division.

Bob Painter, Chief
Policy and Operations Division