



May 10, 2004

Revised Payroll Letter 638

To: HR Administrators, Payroll Officers, Personnel Officers, Fiscal Officers, Labor Relations Officers, and EEO Officers of All Departments, Institutions, Boards and Commissions

From: Dan R. Parks, State Payroll Administrator

Subject: Implementation of Exempt Employee Benefit Changes

Listed below are benefit changes that were in the budget bill (Amended Substitute H.B. 152) for employees exempt from collective bargaining; these changes are effective the pay period that includes July 1, 1993 (pay period ending July 10, 1993).

Vacation Leave - some accrual rates were increased; with 15 years service employees will accrue 180 hours per year instead of 160 hours and with 25 years of service 240 hours per year instead of 200 hours. When employees reach 15 years of service, they receive a one-time credit of 20 hours of vacation and at 25 years of service an employee receives a one-time credit of 40 hours of vacation. In addition, those employees that have 15 or more years of service but less than 20 years of service in the pay period ending July 10, 1993 will receive a one time credit of 20 hours of vacation and those employees with 25 or more years of service in the pay period ending July 10, 1993 will receive a one-time credit of 40 hours of vacation. All of these changes will be programmed to happen automatically, you do not need to post to payroll.

The following table includes all vacation accrual rates and maximum balances based on an employee's years of service:

<u>Years of Service</u>	<u>Accrual Rate</u>	<u>Maximum Balance</u>
1 to 5	3.1 hours	240 hours
5 to 10	4.6 "	360 "
10 to 15	6.2 "	480 "
15 to 20	6.9 "	540 "
20 to 25	7.7 "	600 "
25 or more	9.2 "	720 "

Another benefit change under H.B. 152 is that in certain circumstances exempt employees may be paid for denied vacation leave. To receive this benefit, employees must have reached their maximum vacation balance (the amount of vacation which accrues in 3 years) and have been denied vacation leave within the immediately preceding twelve-month period. As an example, an employee with 4 years of service and a vacation balance of 240 hours can present a leave form which shows that 20 hours of vacation leave had been denied in March of this year and receive payment for the 20 hours of vacation leave which had been denied. The employee is entitled to receive payment for additional denied vacation leave once the employee reaches the maximum vacation balance again and presents documentation that vacation had been denied within the immediately preceding twelve-month period. An employee can only receive the maximum amount of paid leave for which the employee would be entitled in a regular pay period. For example, an employee who works 80 hours in a pay period can only receive payment for up to 80 hours of denied vacation leave per request.

To post vacation denied, type VACREF in the payroll entry area, then press the F1 update key. The following template is generated:

VAC xx.xx HRS @ \$\$. \$\$ REFUSED

Disability Leave - the disability waiting period has been extended from 14 days to 28 days. The extended waiting period will apply to the date the disability was established for disability benefits effective July 1, 1993 or later.

Any questions regarding the revised Payroll Letter may be directed to the Office of Payroll Administration at (614) 466-6915.

DRP/drp