



November 13, 2006

Payroll Letter 905
Supersedes Payroll Letter 887

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: December 2006, Sick and Personal Leave Conversion

Each year, full-time employees (appointment types 01, 11, 17 and 21) and part-time employees (appointment types 04, 13, 18 and 20) have conversion options with regard to sick leave and personal leave credit from the previous year. This year's leave conversion will take place on the pay period ending November 25, 2006, which will be paid to employees on payday December 8, 2006. Employee options are:

- Conversion to cash of all or any portion of the unused personal leave and/or sick leave accruals from the benefit year that has just ended;
- Conversion of personal leave to sick leave; or
- Personal leave balance may be carried forward except those hours which exceed the maximum allowable balance

The maximum hours of conversion are as follows:

Union or Employee Affiliation	CBU	Sick Leave	Personal Leave
Ohio State Troopers Association (OSTA)	01, 15	80	40
Fraternal Order of Police (FOP)	02, 46, 48	80	40
Ohio Civil Service Employees Association (OCSEA)	03, 04, 05, 06, 07, 08, 09, 13, 14, 45, 50	80	40
State Council of Professional Educators (SCOPE)	10	80	40
United Health Care & Social Service Union (1199)	11, 12	72	60
Communication Workers of America (CWA)	40	80	48
Exempt	22, 41, 47, 51	80	40

To inform employees of their options and provide a means for them to communicate their choice to their payroll officers, forms were prepared for each eligible employee. These forms were distributed to employees with their paycheck on October 27, 2006. Each employee should record his or her choices, sign and return the form to the agency payroll officer **no later than** November 20, 2006. Forms are to be retained by agency payroll officers and are not to be sent to the DAS, Human Resources Division.

The forms reflect sick and personal leave balances as of pay period ending September 30, 2006. The HR2K system will automatically adjust any requests for payment or conversion to reflect sick and/or personal leave used and/or accrued between October 1, 2006 and November 25, 2006. Sick leave balances will be carried forward unless otherwise requested. Personal leave balances in excess of the allowable maximum, will be paid without request.

Sick leave conversion will be paid at a percentage of the employee's regular rate of pay determined by the number of sick leave hours used and the bargaining unit (see tables below), while personal leave will be paid at one hour for each one hour converted. Such payments are subject to 25.0% federal tax, 3.5% state tax, Medicare, municipal income tax, and child support withholding. Payments are not subject to retirement contributions.

Conversion Rate for Bargaining Units 01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 13, 14, 15, 50 & Exempts

Sick Leave Hours Used	Percentage of Regular Rate
0 Hours	80%
0.1 Hours to 8 Hours	75%
8.1 Hours to 16 Hours	70%
16.1 Hours to 24 Hours	65%
24.1 Hours to 32 Hours	60%
32.1 or More Hours	55%

Conversion Rate for Bargaining Unit 45

Sick Leave Hours Used	Percentage of Regular Rate
0 Hours	75%
0.1 Hours to 8 Hours	70%
8.1 Hours to 16 Hours	65%
16.1 Hours to 24 Hours	60%
24.1 Hours to 32 Hours	55%
32.1 or More Hours	50%

Conversion Rate for Bargaining Units 11 and 12

Sick Leave Hours Used	Percentage of Regular Rate
0 Hours	75%
0.1 Hours to 8 Hours	70%
8.1 Hours to 16 Hours	65%
16.1 Hours to 24 Hours	60%
24.1 or More Hours	55%

The Attorney General's Office (CBU 46 and 48) will convert sick leave at one hour for every two hours of sick leave (50%). The Treasurer of State (CBU 55 and 56), Secretary of State (CBU 40 and 41), and firefighters in CBU 07, will be provided with additional instructions concerning their leave conversion options.

Please enter the designated leave conversion information online (refer to Exhibit A) into the employee's payroll (PAYU2) record from **October 30, 2006 through November 30, 2006, during the times that payroll can be updated**. All leave conversions posted to the payroll file by November 22, 2006 will be printed on a report that will be placed in your mail bin on the 29th floor State Office Tower, on November 27, 2006.

Thank you for ensuring that the leave conversion requests are handled appropriately.

Posting Sick and Personal Leave Conversions

To post December leave conversion data using the HR2K system, please follow these steps:

1. Sign on to the **HRDPROD** region
2. Type **PAYU** followed by the employee's last name, employee identification number, or Social Security number
3. Once the employee's payroll record is displayed, press the **F4** key to toggle to the PAYU2 screen
4. Enter data into the appropriate Dec Conv: field(s) highlighted below, maintaining the proper decimal alignment
 SC 00.0 Sick leave to be converted to cash (not to exceed maximum)
 PC 00.0 Personal leave to be converted to cash (not to exceed maximum)
 PS 00.0 Personal leave to be converted to sick leave
5. When completed, press the **F1** key to update the record

PAYU 100-200=016100	Pay Period 09 06 2004	Dec Conv:	Ded Calc	Amts:
Name PUBLIC, JOHN Q	Ret Serv 00 - 000	SC 00.0	MD1	% 1.45
SSN 111-11-1111	Lv-Acc-Flg _ Vac Serv 00 - 000	PC 00.0	F15	% 2.00
Id# SX111053P	Union-Flg 3 LServ 00 - 000	PS 00.0	D01	19.79
PCN 23356.0	Medb-Flg _ UServ -	HC .0	All	81.37
Hq Cnty FRAN	Spec-Flg _ Prob Hours .0	Ben YTD Sic: OH		10.00
Empl Age 52-082	Pail-Flg _ Emer Srv Bal 40.0	ACC 58.90	CCC	15.00
Home Addr Flg	Unif-Flg _ Military Bal 176.0	USE 23.40	G01	25.00
				.00
Ref # 02302	Fund 125 SpRC HPA2 SAC 6PJ1 AdRC HRP A Prog _____			.00
Grnt _____	Proj _____ Sub _ MRU _ RCat _____ Loca _____ Act _____			.00
				Agency
Year To Date Bals:	Attachments:	Seniority Data:	Employee Benefits:	Data
Gross 28,518.40	Sup _ .00	State 10 05 1998	Hosptp FAM Tier 1 A	_____
Fed Tax 2,416.00	Gar _ .00	St Crdt 128.0000	Pt Hosp Hr .0	B _____
St Tax 947.28	IRS _ .00	St Rank 000	GLI Amt 0 42,000	C _____
SDIT .00	Wag _ .00	Inst 00 00 0000	GLI Tax .00	D _____
DefComp 1,800.00	Bnk _ .00	In Crdt 0.0000	GLI Cost .00	E _____
Hosp 637.16	Total .00	In Rank 000	D/V Elig 2	F _____
Medicare 404.29			Dental 1F 50.00	G _____
City Tax 570.31	Transfer From 000 - 000 0.0		Vision 1F .00	H _____
Retirmt 2,424.07			DCSA N	CCV N I _____
Last Terminal Update: XPAL	20040905 13:49	New/Seq 16200		J _____
F1=Updt F2=EHOC F3=Exit F4=PAYU1 F5=POSU F9=HRID				

Exhibit A

Posting Leave Conversion Corrections

The HR2K system tracks sick leave usage and accrual throughout the benefit year. Balances, shown in the “Ben YTD Sic” ACC and USE fields on the payroll record remaining at the time of December Conversion, are used to generate the sick leave conversion payment. Therefore, in spite of efforts to make corrections prior to conversion, some cases may still exist where sick leave data tracked by the payroll system was not entirely accurate, causing either the conversion to be paid at an incorrect percentage, or the system to disallow hours to be converted that should have been allowed. The latter situation may also affect the rate at which the conversion was paid. In cases where the conversion payment was incorrect, a conversion correction may become necessary.

To enter these corrections, use the following online payroll entries:

- DCP** – December Conversion Plus is used to pay the employee what they should have been paid for their conversion.
- DCL** – December Conversion Less is used to less the conversion that was paid on the last pay period ending date for November.

Entering **DCP** and **DCL** require a number of hours and a percentage. The format of these codes is as follows:

DCPhhhh@%% or **DCL**hhhh@%%

- DCP/DCL and the “@” are required entries.
- “hhhh” is a four-digit hours field with two implied decimal places.
- “%%” is a two-digit percentage.

Leave will not be automatically deducted from the sick leave balances as a function of the above postings, so manual adjustments are needed where appropriate. Likewise, if the need for a conversion correction is because leave was incorrectly charged as sick leave instead of another type of leave, then appropriate leave adjustments need to be made.

Examples of posting Leave Conversion Corrections are shown in Exhibit B, while Exhibit C shows the results. The rate that is generated will be the percentage of the employee’s total rate of pay.

