The Classified Annual Leave Conversion is an opportunity to make a choice on unused annual leave (current year vacation). Based on eligibility, classified employees can bank annual leave in a sabbatical account, receive cash, or a combination of both.

Each year, after the October B Classified payroll confirmation, an eligibility report is created and used to prepare the Annual Leave Conversion Option Form. It will also be used to notify employees who are eligible for conversion of their unused vacation hours.

The Annual Leave Conversion Option Forms are processed in HRS at the UW Service Center.

**Payroll Coordinators will not receive the forms for each employee; they will only receive the Eligibility Report. Forms can be reprinted from Knowledge Builder when necessary.**

## 2014 Timeline

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of October</td>
<td>Eligibility Report is created after Oct B confirms.</td>
</tr>
<tr>
<td>Nov 3</td>
<td>Forms are sent to the MyUW Portal for employees. Employees return forms to their Payroll Office.</td>
</tr>
<tr>
<td>Nov 3 – Dec 16</td>
<td>Entry of Sabbatical and Cash Payout (5th Week) should be dated between 11/30 and 12/13 using a NON work day. Entry must be completed by 12/16 (end of day) in order to appear on the 12/23 earnings statement.</td>
</tr>
<tr>
<td>Dec 1</td>
<td>Forms are due to their employee’s Payroll Office.</td>
</tr>
<tr>
<td>Dec 17 – Dec 31</td>
<td>Forms can still be accepted and entered for sabbatical conversion ONLY with the effective date between 11/30 and 12/13. Cash pay options will not be allowed to process after 12/16.</td>
</tr>
<tr>
<td>Dec 23</td>
<td>Cash payment paid on the last check of the calendar year. Hours banked into sabbatical appear on earnings statement.</td>
</tr>
<tr>
<td>After Dec 31</td>
<td>Sabbatical conversion forms received should be rejected. If there is an exception it must be sent to the service center for review. Sabbatical conversion will not be allowed to process after 12/31.</td>
</tr>
</tbody>
</table>
### CLASSIFIED ANNUAL LEAVE CONVERSION ELIGIBILITY REPORT

**Report Title:** Classified Annual Leave Conversion Eligibility Report

**When Produced:** The report is produced after the October B classified payroll calculation.

**Purpose:** This report identifies classified permanent and project eligible to convert unused annual leave to either a sabbatical/termination account and/or to cash. It also identifies employees eligible to bank annual leave in sabbatical/termination based on sick leave accumulation.

The system marks an employee’s leave record once the employee reaches a certain number of hours of sick leave as of the October B pay period.

### Description of Fields:

<table>
<thead>
<tr>
<th>Field</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Unit</strong></td>
<td>The campus where the person is paid by.</td>
</tr>
<tr>
<td><strong>Department ID</strong></td>
<td>Department of employee’s primary job</td>
</tr>
<tr>
<td><strong>Person Name</strong></td>
<td>Employee’s name</td>
</tr>
<tr>
<td><strong>Empl ID</strong></td>
<td>Employee’s employee ID</td>
</tr>
<tr>
<td><strong>Empl Record</strong></td>
<td>Employee’s record number</td>
</tr>
<tr>
<td><strong>Union Code</strong></td>
<td>Bargaining Unit by which the employee is represented.</td>
</tr>
<tr>
<td><strong>Empl Class</strong></td>
<td>Employee Class CP – Classified Permanent or CJ – Classified Project</td>
</tr>
<tr>
<td><strong>FLSA</strong></td>
<td>Employee’s current FLSA Status  N = Non-Exempt, E = Exempt</td>
</tr>
<tr>
<td><strong>ACSD</strong></td>
<td>Employee’s Adjusted Continuous Service (seniority) Date</td>
</tr>
<tr>
<td><strong>Current Sabb Bal</strong></td>
<td>Employee’s current sabbatical balance</td>
</tr>
<tr>
<td><strong>Current VNA Bal</strong></td>
<td>Employee’s allocated vacation balance (note run date). HRS field is VNA</td>
</tr>
<tr>
<td><strong>VNA Rate</strong></td>
<td>Annual Vacation Leave Earning Rate in the current calendar year.</td>
</tr>
<tr>
<td><strong>SLT Balance</strong></td>
<td>Employee’s Sick Leave Threshold. Ex. 0, 520, 728, or 1040</td>
</tr>
<tr>
<td></td>
<td>o As of 10B, reached 520 hours of sick leave equals an SLT of 520 in the UWS_C_SLT_BAL Element Name on the Review Absence Balance Page</td>
</tr>
</tbody>
</table>

Note: A threshold is permanent. Once the employee is reaches a threshold, they continue to be eligible any benefit associated with it even though the sick leave balance may later drop below the permanent thresholds. There is no longer any significance for a SLT greater than 520 but they still reside in the HRS system.
**Sabb Elig** – Number of hours the employee is eligible to bank to Sabbatical and/or Cash. This number is pro-rated if noted as such in the Eligibility Column.

**Mid Year Anniv** - Identifies employees who earn at the rate of 160, 184, 200, or 216 hours of vacation for the first time during the current calendar year. You will see the old eligibility rate and the new eligibility rate. If a C follows the amount, that means you have a cash option.

Please note that these employees are not marked as PRO in the eligibility column, but are pro-rated based on their anniversary date.

**FTE** – Employee’s current FTE, identifies employees that are part time as reflected by Job Data.

**Cash/FW Opt** - Cash Option (formerly known as – fifth week) – Eligibility based upon earning factor for 200 or 216 hours of vacation. If Y – they are eligible if N – they are not eligible.

**Eligibility code** –
- ELIG 40 = Eligible for 40 hours Sabbatical
- ELIG 40PRO = Eligible for 40 hours Sabbatical prorated*
- ELIG 80 = Eligible for 80 hours Sabbatical Max
- ELIG 80PRO = Eligible for 80 hours Sabbatical – prorated*
- ELIG 120 = Eligible for 120 hours Sabbatical Max
- ELIG 120PRO = Eligible for 120 hours Sabbatical – prorated*
- INELIGIBLE = not eligible for sabbatical
*see Proration Logic section below

**Paid Hours** – Estimated total paid hours for the entire 2014

**VAC Elig** – Whether or not the position is eligible for vacation

**Best Deal Action** – Based on the sabbatical eligibility because of the sick leave threshold that was met or the vacation earnings rate

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**Eligibility:**

All employees now fall under the non-represented rules for eligibility to bank vacation into sabbatical/termination leave.
**Summary of the sabbatical/termination leave schedule, based on earned annual leave:**

Annual leave earning rate of 160, 176, or 184 hours may elect to convert not more than 40 hours.

Annual leave earning rate of 200 hours may elect to convert not more than 80 hours of which not more than 40 may be paid in cash.

Annual leave earning rate of 216 hours may elect to convert not more than 120 hours of which not more than 40 may be paid in cash.

Employees with less than the 160 hour rate may elect to receive not more than 40 hours if they have accumulated at least 520 hours of sick leave at any time during employee's continuous state service.

**IMPORTANT NOTE:**
If the employee has more than one eligible job, one row will be included for each record on the Eligibility Report for the employee and a form will be created for each employee’s record. The Employee may bank sabbatical into one or more of their active eligible jobs up to the maximum Sabb Elig amount. Each form will indicate the maximum Sabb Elig amount for the employee as a whole. If the employee has 2 different payroll coordinators, they may have to print each form, indicate conversion amount desired on each, and turn in to their respective coordinator.

**Action Required:**
- Review 2014 Timeline
- Review the Eligibility Report provided by the UWSC and the included instructions.
- Verify the number of hours an employee is eligible to convert if reaching a new eligibility threshold during the current calendar year. See Proration Logic below.
- Verify the number of hours eligible for conversion if the employee was part-time during the current calendar year.
- An Excel spreadsheet is provided of all State Agency transfers during the calendar year. If you have employees that were Transfers from another State Agency, determine the work hours from the other agency and submit to the UW Service Center to initiate an updated Sabbatical Eligibility calculation.
- An Excel spreadsheet is provided of employees that transferred from an unclassified position to classified position or vice versa. If they are currently classified and should have a different eligibility or conversion amount submit a ticket to the UW Service Center to update the Sabbatical Eligibility calculation. The entire calendar year qualifies for classified eligibility even when part of the year they were in an unclassified position. Their eligibility is currently prorated for only the classified hours. If they are currently unclassified position they can be disregarded.
- Notify employees of the deadlines and collect forms for processing prior to the last payroll calculated for the calendar year.
• Process cash payment, termination/sabbatical and contractual leave conversion options.

• Sabbatical and cash payments are processed on the December A payroll, paid December 23, 2014. **Cash payments must be included in the last paycheck of the calendar year.**

  **No Exceptions**

• If no option is selected before the end of the calendar year, annual leave shall be treated as though the options were not available.

• Entry must be done no later than December 16th to be included on the 12A earnings statement.

• Entry must be have an effective date between the dates of 11/30/2014 and 12/13/2014 (12A pay period).

**Instructions for Entry of Sabbatical and Cash Payment (5th Week/FW):**

Processing of both cash payment and termination/sabbatical leave options must be made on the 12A payroll, payable December 23, 2014. Entry can be done at any time prior to the deadline by using the effective dates of 11/30/2014 – 12/13/2014 (12A pay period). Using a Saturday or Sunday date is preferred to avoid conflicts with Time & Labor.

**New this year:** on the timesheet when entering SAB conversion and/or payout you will see a description of SabConvert/5THWK. If you review Payable Time Detail the payout will show a description of 5THWK.

**Please see the following KB for more detailed information:**

Procedure for entering conversion of vacation to sabbatical in HRS:

[http://kb.wisc.edu/hrs/page.php?id=20161](http://kb.wisc.edu/hrs/page.php?id=20161)

**Link to Blank Annual Leave Conversion Form:**

[https://uwservice.wisc.edu/docs/forms/leave-conversion.pdf](https://uwservice.wisc.edu/docs/forms/leave-conversion.pdf)

**Summary of Proration Logic**

Proration was determined using the following logic:

The value in the field VAC Hrs Available for Conversion on the Annual Leave Conversion Options Form was based on the employee’s eligibility to convert vacation to Sabbatical.

The number of hours available for use under the termination/sabbatical options must be prorated, in **whole hours**, if the eligible employee meets one or more of the following criteria within the calendar year:

Employee returns from an unpaid leave of absence.

Employee works part-time. The number of hours to be prorated shall be prorated at the pertinent annual leave rate or rates for employees who work less than 2088 hours during the calendar year. (There are some exceptions to this based on Sick Leave Thresholds)

Employee reaches the 160, 184 or 200, or 216 hour annual leave rate during the year.
The amount of vacation hours available for use under termination/sabbatical options was determined by:

1. The number of hours paid during the calendar year for the employee at each vacation rate based on his/her seniority date.

2. The hours at each vacation rate:
   a. Divide the hours by 2088 and
   b. Multiply the result by the maximum hours available for conversion.

**The leave options should be rounded to whole hours**, as it is in accordance with Chapter 704, Attachment 1, of the Wisconsin Human Resources Handbook.

**Examples of Proration:**

<table>
<thead>
<tr>
<th>Nonrepresented annual leave option prorations</th>
<th>HRs worked at the 184 hr rate</th>
<th>Hrs available for use at 184 hr option</th>
<th>Hrs worked at 200 hr rate</th>
<th>Hrs available for use at 200 hr option</th>
<th>Max Hrs term/sabb option*</th>
<th>Max Hrs cash option*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee A</td>
<td>1044</td>
<td>20</td>
<td>1044</td>
<td>40</td>
<td>60</td>
<td>40</td>
</tr>
<tr>
<td>Employee B</td>
<td>1566</td>
<td>30</td>
<td>522</td>
<td>20</td>
<td>50</td>
<td>20</td>
</tr>
<tr>
<td>Employee C</td>
<td>522</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Employee D</td>
<td>N/A</td>
<td>N/A</td>
<td>1044</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
</tbody>
</table>

* The total combined hours used under the termination/sabbatical options and the cash payment option may not exceed the lesser of the whole hours available or whole hours of unused leave.

**Minimum Accrued Sick Leave Hours Required**

Required number of sick leave hours must be accrued by the end of the October B pay period of the current calendar year.

The required minimum number of hours of sick leave must be accumulated in order for any covered employee to be eligible.

There is no proration of minimum required accrued sick leave hours for part-time employees.
Reports:

Coordinators can run the Sabbatical Balance Report whenever wanting updated information on which employees are eligible and if they have selected to convert vacation to sabbatical or cash. The following KB-31858 includes instructions on running this report:

http://kb.wisc.edu/hrs/page.php?id=31858

Related policies:

http://oser.state.wi.us/docview.asp?docid=7062