

University Staff Annual Leave Conversion Options

Banked Leave and Cash Payments

The University Staff Annual Leave Conversion is an opportunity to make a choice to bank unused vacation carryover or unused current year vacation. Based on eligibility, university staff employees can bank unused vacation carryover/current year vacation in a banked leave account, receive cash, or a combination of both. This was formally known as the Sabbatical processing.

After the October B bi-weekly 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 created in HRS and delivered to Cypress as well as the employee portal.

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

2017 Timeline

End of October	Eligibility Report is created after Oct B confirms.
Nov 10	Eligibility Report and Eligibility Forms are sent to Cypress. Eligibility forms are also sent to the MyUW Portal for employees.
Dec 1 – Dec 31	Entry of Banked Leave and Cash Payout (5 th Week) should be dated between 12/1- 12/31 using a NON work day. Entry prior to 12/14 will appear on the 12/21 earnings statement. Entry after 12/14 will appear on the next check that processes. Do not enter on the 14 th (confirm date).
Dec 8	Forms are dated to be due to their employee's Payroll Office. This is for ease of administration. Employees have until the end of the year to make an election.
Dec 21 Pay date	Cash payments entered 12/1 – 12/13 will be paid on this check. Hours converted to Banked Leave will appear on this earnings statement.
Jan 4 & Jan 18 Pay dates	Cash payment entered after 12/14 will be paid on one of these checks. Hours converted to Banked Leave will appear on the respective earnings statement.
After Dec 31	Forms for Banked Leave that are received after 12/31 should be rejected. If there is an exception it must be sent to the service center for review.

BANKED LEAVE ANNUAL CONVERSION ELIGIBILITY REPORT

Report Title: Banked Leave Annual Conversion Eligibility Report

When Produced: The report is produced after the October B bi-weekly payroll calculation.

Purpose: This report identifies permanent and project University Staff eligible to convert unused vacation carryover and/or annual leave to either their banked leave account and/or to cash. It also identifies employees eligible to convert annual leave into banked leave based on sick leave accumulation.

The system permanently marks an employee's leave record on the October B pay period if the employee reaches 520 hours of hours of sick leave.

Description of fields:

Business Unit —The campus where the person is paid by.
Department ID –Department of employee's primary job
Person Name —Employee's name
Empl ID –Employee's employee ID
Empl Record –Employee's record number
Union Code —Bargaining Unit by which the employee is represented.
Empl Class – Employee Class CP - Univ Staff Permanent or CJ - Univ Staff Project
FLSA –Employee's current FLSA Status N = Non-Exempt, E = Exempt
ACSD — Employee's Adjusted Continuous Service (seniority) Date
Current Banked Leave Bal —Employee's current banked leave balance
Current VC Bal – Employee's current vacation carryover balance (note run date). HRS field is VC
Current VNA Bal - Employee's allocated vacation balance (note run date). HRS field is VNA
VNA Allocation —Annual Vacation Leave Earning Rate in the current calendar year.

<p>SLT Balance– Employee’s Sick Leave Threshold. Ex. 0, 520, 728, or 1040</p> <ul style="list-style-type: none"> ○ As of 10C, 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 <p>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.</p>
<p>Banked Leave Elig – Number of hours the employee is eligible to convert to Banked Leave and/or Cash. This number is pro-rated if noted as such in the Eligibility Column.</p>
<p>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.</p> <p>Please note that these employees are not marked as PRO in the eligibility column, but are pro-rated based on their anniversary date.</p>
<p>FTE –Employee’s current FTE, identifies employees that are part time as reflected by Job Data.</p>
<p>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</p>
<p>Eligibility code -</p> <p>ELIG 40 = Eligible to convert up to 40 hours of vacation to banked leave ELIG 40PRO = Eligible to convert 40 hours into banked leave prorated* ELIG 80 = Eligible to convert up to 80 hours of vacation to banked leave ELIG 80PRO = Eligible to convert 80 hours into banked leave prorated* ELIG 120 = Eligible to convert up to 120 hours of vacation to banked leave ELIG 120PRO = Eligible to convert 120 hours of banked leave prorated* INELIGIBLE = not eligible for banked leave *see Proration Logic section below</p>
<p>Paid Hours – Estimated total paid hours for the entire 2017</p>
<p>VAC Elig – Whether or not the position is eligible for vacation</p>
<p>Best Deal Action – Based on the banked leave eligibility because of the sick leave threshold that was met or the vacation earnings rate</p>

Summary of the eligibility to bank leave, 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 by the time the eligibility file is created. This is a permanent eligibility. Once met, you will retain this threshold.

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 convert time into one or more of their active eligible jobs up to the maximum Banked Leave Elig amount. Each form will indicate the maximum Banked Leave 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 2017 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 Banked Leave Eligibility calculation.
- An Excel spreadsheet is provided of employees that transferred from a monthly position to a University Staff position. The entire calendar year qualifies for University Staff eligibility even when part of the year they were in a monthly position. Their eligibility is currently prorated for only the University Staff hours. The UWSC will update the eligibility for these employees after the files are generated. If an error is detected, please contact the UWSC.
- Notify employees of the deadlines and collect forms for processing prior to 12/31/2017
- Process banked leave and/or cash payment options.

Instructions for Entry of Banked Leave (SABB) and Cash Payment (5th Week/FW):

- Entry for Banked Leave and cash payments must be dated and processed between 12/1 and 12/31. Entries dated and processed prior to the December A payroll confirmation, will be paid on 12/21/17 (last check of the year).
- Entry dated and processed after December A will be on either the 1/4/18 or 1/18/18 paycheck according to the dated entry.
- It is **not** required that cash payments be included in the last paycheck of the calendar year.
- If no option is selected before the end of the calendar year, annual leave shall be treated as though the options were not available. Forms received after 12/31/17 should be rejected.
- **Entry must be done prior to the absence deadline for the January A confirm (1/10/18)**

Best Practice is to use a Saturday or Sunday date to avoid conflicts with Time & Labor. Also, avoiding entry between 12/24 and 12/30 might be best. This is the slice of the 13A/1A period and processing is inherently more complicated.

*****Reminders*****

- *Vacation Carryover can be banked as well as current year vacation. The program will pull vacation carryover balances first, then pull from current year vacation.*
- *Employee Self Service will be available for using ESS. The entry will be auto approved once the employee enters it.*
- *It is not required that cash pay be on the final check of the year.*
- *Labels indicate Banked Leave where it was possible to change them. Sabbatical is indicated in places that were not possible to change so you will see the term interchanged.*

Please see the following KB for more detailed information:

Procedure for entering conversion of vacation to banked leave in HRS: <http://kb.wisc.edu/hrs/page.php?id=20161>

Procedure for Employees entering conversion of vacation to banked leave:

<https://kb.wisc.edu/hrs/page.php?id=57367>

Procedure for running the Eligibility/Election Summary Report

<https://kb.wisc.edu/hrs/page.php?id=31858>

Link to Blank Annual Leave Conversion Form:

<https://uwservice.wisc.edu/docs/forms/leave-conversion.pdf>

Eligibility forms are located in Cypress Knowledge Builder for print or reprint.

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 Banked Leave.

The number of hours available for use under the banked leave 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 banked leave 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 required by policy.

Examples of Proration:

Nonrepresented annual leave option proration	Hrs worked at the 184 hr rate	Hrs available for use at 184 hr option	Hrs worked at 200 hr rate	Hrs available for use at 200 hr option	Max Hrs banked leave option*	Max Hrs cash option*
Employee A	1044	20	1044	40	60	40
Employee B	1566	30	522	20	50	20
Employee C	522	10	0	0	10	0
Employee D	N/A	N/A	1044	40	40	40

* The total combined hours used under the banked leave 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 Banked Leave Annual Elig/ Elect Report whenever wanting updated information on which employees are eligible and whether they have selected to convert vacation to banked leave or cash. The following KB-31858 includes instructions on running this report:

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

Related policies:

- UPS Operational Policy: BN 1 - <https://www.wisconsin.edu/ohrwd/download/policies/ops/bn1.pdf>.
- HRD (MSN employees):
<https://kb.wisc.edu/ohr/policies/page.php?id=53409>