MEMORANDUM 032-16HR

TO: Agency Administrators
FROM: Carolyn Horwich, Esq., Director of Human Resources
THROUGH: Rip Colvin, Executive Director
SUBJECT: PARs – Leave With and Without Pay
DATE: September 13, 2016

Justice Administrative Commission Human Resources staff have put together the attached handout for your use when requesting leave with or without pay transactions.

We hope that this five page handout is a quick and easy resource for you. As always, we invite comments and questions.

Thank you.
Leave With Pay / Leave Without Pay

I. General

• If there are any important details regarding the employee’s leave, please include them in the comments section when submitting a PAR or asking a leave related question.

• For example: Is the employee going to apply for disability benefits? Is there a date scheduled for their return (either tentative or firm)? Do you plan on paying them a reduced number of hours each month, or will they be completely without pay for more than one calendar month?

• Regardless of whether the employee is taking a leave of absence with or without pay, a PAR is required.

• If the employee merely uses a little more leave than they have on the books; a PAR reducing their hours will be fine (use transaction code 98).
Leave With Pay

• The effective/transaction date will be the date that the leave *initially began*. Please submit a par at this time.

• Intermittent leave/paying enough hours to cover premiums, whatever the reason. The *transaction code* should be 98.

• In the comments section of the PAR, please include the following:
  1. Being placed on leave *with* pay
  2. The number of hours to be paid
  3. Any additional information that would be helpful (e.g., FMLA, expected return date)

• Leave with pay provides the flexibility to adjust the hours each month while maintaining an accurate history for the employee in People First.

• Remember to submit a return from leave with pay PAR when the employee returns for good (transaction code 98, in the comments: “return from leave with pay” and any hour adjustments).
Leave Without Pay

- When the employee is not going to be paid any hours for a full calendar month (or more), this is “leave without pay”. The transaction code should be 58. The effective/transaction date will be when the leave began.

- In the comments section of the PAR, please include the following:
  1. Being placed on leave without pay
  2. Any adjustment to the current month’s hours
  3. Any additional information that would be helpful (e.g., the type of leave, the expected return date)

- The anticipated return date goes a long way in determining whether the employee should be placed on leave with or without pay.

- If the employee is being paid hours each month that they are on leave, this is leave with pay.

- Do not process any position or salary adjustments while someone is on leave without pay. Otherwise, People First will automatically bring them back into active status and pay them from the effective date forward.

- The transaction code for a return from leave without pay PAR is 71.
II. Retirement Considerations

- Employees who are placed on a total leave \textit{without} pay will not receive retirement credit for any month in which they are not in “pay status” for at least one day in the month.

- Employees who are on a \textit{paid} leave of absence automatically receive retirement credit for each month they are in pay status (receiving regular pay or leave).

- Pension Plan members are eligible to purchase up to two years of an unpaid leave of absence without pay, including FMLA, by paying the appropriate contributions, plus any applicable interest, for the period of leave.

- Pension Plan members placed on a Military Leave of Absence Without Pay may receive credit by returning to work within 90 days of discharge and submitting the appropriate DD-214’s for review. The employer will then be billed for the required contributions in effect during the period of leave, plus any interest for prior fiscal years.

- Investment Plan members may be eligible to receive credit (contributions) for certain types of leaves of absences, including Military Leave, Workers Compensation, and certain types of suspension, if certain criteria are met. Due to the complexity of this issue, questions should be addressed with the FRS Plan Administrator or by contacting the RetirementCoordinator@justiceadmin.org.
III. Disability Considerations

• The employee will need to show that they have been on Leave with pay or leave without pay for 31 days and have exhausted all leave before applying for benefits.

• In order for eligible employees to receive their disability timely, the record in People First must be accurate and complete.

• Benefits are payable from the first benefit day of any one continuous period of Total Disability in the amount of 65 percent of the Employee’s Basic Daily Earnings. The “first benefit day” is the latter of:
  1. The 31st day of continuous Total Disability or
  2. The date following the day that an employee exhausts all accumulated leave credits; including leave accrued on the Employee’s Anniversary Date.