

MINUTES OF BUDGET AND CONTROL BOARD MEETING

MAY 1 1973

The Budget and Control Board met in the Governor's Office at 12:30 p. m. on May 1, 1973. The following Board members were in attendance.

Governor John C. West
Mr. R. J. Aycock
Mr. Henry Mills

Senator Dennis was occupied with duties in the Senate, while Mr. Patterson was in New York City on business pertaining to a Bond issue.

Also in attendance were Messrs. P. C. Smith and W. T. Putnam. The following business was transacted.

PERSONNEL DIVISION - EMPLOYEE INSURANCE - Dr. Jack Mullins, Director of the Personnel Division, appeared before the Board to clarify certain actions which had been taken at the Budget and Control Board meeting of April 17, 1973.

Dr. Mullins reminded the Board members that, in the meeting of April 17, they had approved three recommendations pertaining to the eligibility for state insurance of certain employees, such as college professors and legislative staff members, who were employed for only a portion of the year. The recommendation, as approved by the Budget and Control Board, granted a continuing eligibility for insurance for these individuals during the months which they were not employed; but made no provision for the payment for the State's share of such insurance.

Dr. Mullins recommended that the State continue to pay its portion of the employees' insurance costs for these employees during

that portion of the year in which such employees were not fulfilling their regular duties.

Governor West asked Dr. Mullins if the funds, as currently appropriated for State employees' insurance, would cover this additional expense and was advised that such funds were adequate. In view of this information, the Board members present unanimously approved the recommendation.

PERSONNEL DIVISION - ANNUAL LEAVE GUIDELINES - Dr. Mullins presented each member of the Board with a brochure containing current annual leave guidelines along with suggested changes. He advised the members that personnel of his Division had conferred with administrators of numerous agencies to compile the new guidelines.

Dr. Mullins asked that the Board members study the brochure and stated his intention to return at a subsequent meeting to ask for approval of the new rules.

A copy of the suggested guidelines have been retained in these files and are identified as Exhibit I.

EXECUTIVE SESSION - Governor West advised the Board members that he had a matter concerning personnel and would like for the balance of the meeting to be held in Executive Session. This recommendation received unanimous approval.

NAMING OF STATE BUILDINGS - The members of the Board discussed the naming of two new State buildings for the Honorable Solomon Blatt, Speaker of the House of Representatives and Senator Marion Gressette, President Pro Tempore of the Senate.

Mr. Henry Mills made a motion that the building, which will be located on the Capitol Mall (formerly the corner of Main and Senate Streets) and which will probably house legislative offices, be named for Mr. Blatt. He also moved that the State Office Building which

will be located on Pendleton Street between Main Street and Assembly Street be named for Senator Marion Gressette.

The Board members in attendance unanimously approved this motion.

There being no further business, the meeting was adjourned at 1:00 p. m.

EXHIBIT I
MAY 1, 1973

ANNUAL LEAVE GUIDELINES

The June 2, 1972, Annual Leave Act for State employees establishes a standard annual leave earning rate that shall apply to all State employees except teaching personnel and officials of academic rank at State-supported institutions of higher learning.

Section 1-1. DEFINITIONS

For the purpose of these guidelines, the following definitions apply:

- (a) Agency: an instrumentality of State government, such as, but not limited to, the following: Authority, Board, Bureau, Commission, Committee, Council, Division, Department, or Institution of Higher Learning.
- (b) Permanent full-time employee: one who has completed six (6) months of satisfactory service; one who is scheduled to work the agency's official workweek (but in no event less than 37.5 hours per workweek); and who is not a temporary or student employee.
- (c) *Permanent part-time employee: One who has completed six (6) months of satisfactory service; who is scheduled to work at least one-half ($\frac{1}{2}$) the workweek of the agency on a twelve month basis; or who is scheduled to work the full school or academic year of nine months or more for a State administered educational facility; and who is not a temporary or student employee.*
- (d) *Temporary employee: one who is employed on a full-time or part-time basis for a period not exceeding six (6) months to provide for specific, defined projects, for peak work loads, and for short-time replacements of permanent employees on leave of absence. Temporary employees have no continuing status.*
- (e) *Student employee: one who is employed in the school or institution of higher learning in which he or she is enrolled.*
- (f) Day: the total hours in a workday that an employee is regularly scheduled to work.
- (g) Year: calendar year, from January 1 through December 31.

Section 1-2. ELIGIBILITY

Annual leave shall be accrued by and granted to:

- (a) permanent full-time employees, and
- (b) permanent part-time employees,

in accordance with the definitions and in the amounts as prescribed herein.

Section 1-3. ANNUAL LEAVE RECORD

A leave record shall be maintained by the employing agency for each employee covered under the provisions of the Act, which shall be subject to audit by the State Budget and Control Board. Such record shall:

- *reflect leave earnings and charges in terms of days and equivalent hours,*
- *indicate the number of leave days/hours earned during the current calendar year,*
- *indicate the number of leave days/hours used during the current calendar year,*
- *indicate the number of leave days/hours carried forward from the previous calendar year, but not exceeding the maximum accrual authorized,*
- *indicate the number of hours in the employee's official workweek,*
- *include any other information the agency may require,*
- *be reviewed by or reported in writing to the employee no less than once per calendar year and be supported by individual leave slips signed by the employee and the supervisor. These leave slips shall be retained for not less than two (2) weeks after review by the employee.*

Section 1-4. ANNUAL LEAVE EARNINGS

A. FULL-TIME EMPLOYEES

1. FIVE (5) DAYS PER WORKWEEK SCHEDULE

(a) Service of less than six (6) months

During the first six (6) months of State service, employees shall not be authorized the use of annual

leave except for emergency or exceptional circumstances subject to specific prior approval of an appropriate supervisor. No State employee who is separated from State employment, either voluntarily or involuntarily, prior to the completion of six (6) months of service shall be paid for any accrued annual leave.

(b) Service of ten (10) years or less

Full-time employees, upon the completion of their first six (6) months of service, on five (5) days per workweek schedule with State service of less than ten (10) years, shall earn annual leave dating from date of employment at the rate of one and one-fourth ($1\frac{1}{4}$) working days per full month of service in each calendar year.

(c) Service of more than ten (10) years

Full-time employees on a five (5) days per workweek schedule with State service of more than ten (10) years, shall earn annual leave at the rate of:

<u>YEARS OF SERVICE</u>	<u>EARNING RATE</u>	<u>WORKING DAYS</u>
	<u>MONTH</u>	<u>YEAR</u>
11	1.354	16 $\frac{1}{4}$
12	1.459	17 $\frac{1}{2}$
13	1.562	18-3/4
14	1.667	20
15	1.770	21 $\frac{1}{4}$
16	1.875	22 $\frac{1}{2}$
17	1.979	23-3/4
18	2.083	25
19	2.188	26 $\frac{1}{4}$
20	2.291	27 $\frac{1}{2}$
21	2.396	28-3/4
22 or over	2.5	30

2. WORKWEEK SCHEDULES OF MORE THAN FIVE (5) DAYS

Full-time employees on regularly scheduled workweeks of more than five (5) days shall earn annual leave at rates that produce the equivalent earnings of the employees on a five (5) days per workweek schedule. For example:

(a) Five and one-half (5½) days per workweek schedule

(TO BE SUPPLIED)

(b) Six (6) days per workweek schedule

(TO BE SUPPLIED)

B. PART-TIME EMPLOYEES

1. Service of less than six (6) months

During the first six (6) months of State service, part-time employees shall not be authorized the use of annual leave except for emergency or exceptional circumstances subject to specific prior approval of an appropriate supervisor. No State employee who is separated from State employment, voluntarily or involuntarily, prior to the completion of six (6) months of service shall be paid for any accrued annual leave.

2. Service of more than six (6) months

Part-time employees, upon the completion of their first six (6) months of service, shall earn annual leave dating from date of employment on a pro-rata basis that produces the equivalent earnings of the employees on a five (5) days per workweek schedule. (See Section 1-1. DEFINITIONS, Item (c), Permanent Part-time Employee.)

Section 1-5. MAXIMUM ACCUMULATION

A. FULL-TIME EMPLOYEES

1. Five (5) days per workweek schedule

Full-time employees on a five (5) days per workweek schedule shall be permitted to carry over from one calendar year to the next any unused earned annual leave up to a total accumulation of forty-five (45) days; EXCEPT THAT, employees of a merit system agency that previously provided for a maximum accumulation in excess of forty-five (45) days as of June 2, 1972, shall not forfeit the excess, but shall retain such excess leave which shall be the maximum amount the employee may carry over into future years. If the employee subsequently reduces the amount of such leave carried over, the reduced amount, if in excess of forty-five (45) days, shall become the employee's maximum carry over into future years. If the employee further reduces the amount of such leave carried over to forty-five (45) days or less, forty-five (45) days shall become the maximum amount of unused annual leave the employee may thereafter accumulate.

2. Workweek schedules of more than five (5) days

Full-time employees on regularly scheduled workweeks of more than five (5) days shall be permitted to carry over from one calendar year to the next any unused annual leave up to a total accumulation that is equivalent to the maximum accumulation of forty-five (45) days for employees on a five (5) days per workweek schedule. For example:

(a) Five and one-half (5½) days per workweek schedule

The maximum accumulated annual leave for employees regularly scheduled to work five and one-half (5½) days per workweek shall be forty-nine and one-half (49½) working days.

(b) Six (6) days per workweek schedule

The maximum accumulated annual leave for employees regularly scheduled to work six (6) days per workweek shall be fifty-four (54) working days.

B. PERMANENT PART-TIME EMPLOYEES

Permanent part-time employees shall be permitted to carry over from one calendar year to the next any unused annual leave up to a total accumulation that, on a pro-rata basis, produces the equivalent maximum accumulation of the employees on a five (5) days per workweek schedule.

Section 1-6. EARNED LEAVE IN EXCESS OF MAXIMUM ACCUMULATION

All eligible employees shall be entitled to bring into any calendar year the maximum accumulation as authorized in Section 1-5. Any eligible employee that does bring the maximum accumulation into a calendar year shall also be entitled to earn and use annual leave up to a maximum as authorized in Section 1-7(A) during that calendar year. However, only the maximum accumulation as authorized in Section 1-5 may be carried over into the next calendar year.

Section 1-7. USING AND SCHEDULING LEAVE

A. MAXIMUM DAYS USED PER YEAR

The maximum number of earned or accumulated working days of annual leave that may be used in any one calendar year shall not exceed:

1. *For employees on a five (5) days per workweek schedule - forty-five (45) working days;*
2. *For employees on regularly scheduled workweeks of more than five (5) days - a total number of working days that are equivalent to forty-five (45) working days for a five (5) days per workweek schedule, or*
3. *For employees on a part-time schedule - the pro-rata portion of the forty-five (45) working days maximum that is applicable to employees on a five (5) days per workweek schedule.*

B. SCHEDULING LEAVE

To the degree possible, employees' requests for specific periods of annual leave shall be honored. However, considerations of workloads, work distribution, and similar factors may necessitate changes. Approval of the appointing authority is required for:

1. the specific periods that employees shall be on annual leave, and
2. the length of any annual leave, i.e., the number of consecutive working days in any one leave period.

C. UNITS OF ANNUAL LEAVE

The appointing authority shall establish policies on the using and scheduling of annual leave but in no event shall leave be used and charged in units of less than one (1) hour.

D. HOLIDAY DURING LEAVE

A holiday observed by the employing agency while an employee is on a period of annual leave that falls on a day that the employee would otherwise have scheduled to work shall not be charged as a day of annual leave.

Section 1-8. LEAVE COMPUTATION

For ease of administration, records on leave earned, leave taken, and leave accumulated should be converted to the hourly equivalent. By so doing, varied work schedules can be readily equated to the base of a five (5) day workweek schedule.

Section 1-9. CREDITED SERVICE

A. EMPLOYEES HIRED PRIOR TO JUNE 2, 1972

Employees as of June 2, 1972, shall carry forward all service as a State employee prior to June 2, 1972, for purposes of determining annual leave earnings.

B. CUMULATIVE SERVICE

Subsequent to June 2, 1972, employees who terminate employment with the State and who are rehired shall be given credit for the period of service prior to termination but shall not be given service credit for the period between termination and reemployment. (No prior leave accrual shall be reinstated.)

C. LEAVE WITHOUT PAY AND EDUCATIONAL LEAVES

Periods of authorized leave without pay or educational leave without pay of over twenty (20) working days in any one calendar year shall not be credited as service for determining annual leave earnings.

D. ANNIVERSARY DATE

Employees' anniversary dates shall be adjusted for the total length of periods of authorized leave without pay or educational leave without pay of over twenty (20) working days in any one calendar year and for periods of breaks in service as defined above.

E. CREDITING LEAVE FOR SERVICE OF OVER TEN (10) YEARS

The increased leave earnings based upon service of over ten (10) years shall be granted to employees on a monthly basis beginning the month after their adjusted anniversary dates.

Section 1-10. TRANSFER

Employees who transfer from one State agency to another shall transfer their accumulated unused leave up to that total amount authorized adjusted to the scheduled workweek of the gaining agency.

In the case of an employee transferring from a merit system agency who has a maximum accumulation in excess of that currently authorized by the gaining agency, the excess shall be paid in lump sum to the employee by the losing agency at the time of transfer.

An employee's transfer from one State agency to another shall not constitute a break in service.

Section 1-11. HIRING ADDITIONAL EMPLOYEES

Additional employees shall not be hired to replace employees on annual leave. When a vacancy occurs due to termination of employment, a replacement may be employed.

Section 1-12. TERMINATION OF EMPLOYMENT

Upon termination of employment with the State, employees shall be paid in lump sum for the authorized unused annual leave earnings accumulated to their credit, except that:

1. the total number of working days used by an employee in that calendar year, plus
2. the total number of working days paid in lump sum to such employee,

shall not exceed the maximum allowable number of working days accumulation as defined in Section 1-5.

No additional annual leave earnings apply during the period represented by the lump sum payment and service credits are not given for such period.

Section 1-13. PAYMENT UPON DEATH OF EMPLOYEES

Upon the death of an employee while in active service, the legal representative shall be entitled to payment in lump sum for the authorized unused annual leave earnings accumulated to his or her credit up to the date of death, except that:

1. the total number of working days used by the employee in that calendar year, plus

2. the total number of working days paid in lump sum to the employee's legal representative,

shall not exceed the maximum allowable number of working days accumulation as defined in Section 1-5.

Section 1-14. QUESTIONS AND PROBLEMS

State agencies that have problems regarding the administration of annual leave or questions about the policies herein are to contact the State Personnel Division for assistance. As needed, interpretive memoranda shall be issued by the State Personnel Division to clarify intent or to give examples that will be helpful in carrying out the provisions of the Annual Leave Act.

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