



Office Memorandum

Date: October 13, 2016
To: Agency Payroll and Human Resources Staff
From: Mary Mueller, Director, Statewide Payroll Services
Subject: Vacation Minimum and Floating Holiday Reports

The following reports are available in DocumentDirect/InfoPac. Currently, they are of primary importance to agencies with employees whose bargaining agreement or compensation plan requires that leave be taken or reduced before the end of the **calendar year** (rather than the end of the fiscal year). These agencies should review the reports and notify employees before they reach the deadline when they will lose any accumulated leave.

FIHR6440, Listing of Employees Who Have Not Used Floating Holiday

(DocumentDirect/InfoPac ID HP6440) – *Available now*

Currently, this report **only** includes employees who have not used their floating holiday this **calendar year**, and must use it by December 31, 2016. Beginning in January 2017, the report will **only** list employees who have not yet used their floating holiday in the current **fiscal year**, and must use it by June 30, 2017. When reviewing this report, pay particular attention to employees who:

- Have more than one leave authority to determine if the floating holiday has been taken.
- May have entered a new leave authority just prior to, during, or just after the pay period that included the new calendar year. These employees may not have a floating holiday appear on the report due to the timing of their entry into the leave authority, but they still may be eligible to use a floating holiday.

FIHR6510, Report of Employees Who Have Not Reached the Required Vacation Minimum

(DocumentDirect/InfoPac ID HP6510) – *Available now*

This report lists employees whose vacation balances have not met the vacation minimum requirement specified in the applicable bargaining agreement or compensation plan. This report currently includes employees whose balances have been over the minimum since January 1, 2016, and who may lose vacation at **calendar year end** if the minimum requirement is not met. The report will list only these employees through pay period ending December 27, 2016.

From pay period ending January 10, 2017 through pay period ending June 13, 2017, the report will include employees whose balances have exceeded the minimum since July 1, 2016, and who will lose vacation at **fiscal year end** if the minimum requirement is not met.

NOTE: When making the determination if an employee has reached the minimum for the calendar year, subtract what the employee has used, donated or converted **before** adding any accrued or adjusted time to the balance for that pay period.

Agencies should review balances for each employee who has more than one leave authority to determine if the minimum is met. Employees who have not met the minimum should be notified as soon as possible. Employees whose balances are controlled by calendar year end have until December 31, 2016, and employees whose balances are controlled by fiscal year end have until June 30, 2017, to reduce their vacation balances.

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NOTE: Employees in Supreme Court, Lawyers Professional Responsibility Board with less than five years service, and Minnesota State Colleges & Universities employees in MSUAASF, IFO, MSCF and the Administrators' Plan are NOT included on this report.

Employees who have not reached the required minimum balance may elect to donate vacation hours to the sick leave account of other eligible state employees (a value and/or hours donation), as one way of reducing their vacation balances. Qualifying law enforcement union members can also donate to a law enforcement reserve bank. Review Policy and Procedure, [PAY0041, Leave Donation](#), to help determine an employee's eligibility and the appropriate number of vacation hours that may be donated.

Some employees may also be eligible to convert vacation hours to the Minnesota State Deferred Compensation Plan. Review Policy and Procedure, [PAY0042, Deferred Compensation Conversion/Match Options](#), along with the employee's applicable bargaining agreement or compensation plan to determine the appropriate number of vacation hours that may be converted.

NOTE: Employees are not required to have a deferred compensation deduction set up to receive a vacation conversion. Their conversion will be processed and invested in the Vanguard Balanced Index Fund until/unless they have directed otherwise by accessing www.mndcplan.com and establishing an account User Name and PIN (password), and choosing investment options.

If you have questions about enrollment, contact the Minnesota State Retirement System (MSRS) at 1.800.657.5757 (toll free) or 651.296.2761 (local).

FIHR6511, Report of Employees Who Have Lost Vacation Leave

(DocumentDirect/InfoPac ID HP6511) – Available January 17, 2017

For employees who have not reduced their leave to the required minimum by the appropriate deadline, SEMA4 will automatically reduce their balance. For minimum requirements that go by calendar year, balances will be reduced during leave processing for pay period ending January 10, 2017. After the reduction, this report is generated listing employees whose balances were reduced. This report should be reviewed to make certain that employees who appear as losing leave had their leave balances reduced appropriately.

Pay particular attention to employees who may have:

- Changed from a leave authority that requires a minimum at fiscal year end, to one that requires a minimum by calendar year end, or vice versa.
- Returned from military leave and had time restored.
- Used voluntary salary savings leave (LSS).

Questions?

Agency Payroll and Human Resources staff should contact Lynda Hanly at 651.201.8074 or lynda.hanly@state.mn.us.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF