

**ARTICLE 39**  
**PAID ANNUAL LEAVE**

**A. Initial Leave.**

Upon hire, each permanent employee shall be credited with an initial annual leave grant of sixteen (16) hours, which shall be immediately available, upon approval of the Employer, for such purposes as voting, religious observance, and necessary personal business. The sixteen (16) hours initial grant of annual leave shall not be credited to an employee more than once in a calendar year.

**B. Allowance.**

Subsequent to the initial grant of sixteen (16) hours, annual leave shall not be credited and available for use until the employee has completed 720 hours of paid service in the initial appointment. Paid service in excess of eighty (80) hours in a biweekly work period shall not be counted. A permanent employee shall be entitled to annual leave with pay for each eighty (80) hours of paid service or to a pro-rated amount if paid service is less than eighty (80) hours in the pay period as follows:

**ANNUAL LEAVE TABLE**

<b><u>Service Credit</u></b>	<b><u>Annual Leave</u></b>
0 - 1 yrs. (0-2,079 hrs.)	= 4.0 hrs./80 hrs. serv.
1 - 5 yrs.(2,080-10,399 hrs.)	= 4.7 hrs./80 hrs. serv.

**C. Additional Allowance.**

Permanent employees who have completed five years (10,400 hours) of currently continuous service shall earn annual leave with pay in accordance with their total classified service including military leave, subsequent to January 1, 1938, as follows:

**ADDITIONAL ALLOWANCE TABLE**

<b><u>Service Credit</u></b>	<b><u>Annual Leave</u></b>
5-10 yrs. (10,400 -20,799 hrs.) =	5.3 hrs./80 hrs.serv.
10-15 yrs. (20,800 - 31,199 hrs.) =	5.9 hrs./80 hrs.serv.
15-20 yrs. (31,200 - 41,599 hrs.) =	6.5 hrs./80 hrs.serv.
20-25 yrs. (41,600 - 51,999 hrs.) =	7.1 hrs./80 hrs.serv.
25-30 yrs. (52,000 - 62,399 hrs.) =	7.7 hrs./80 hrs.serv.
30-35 yrs. (62,400 - 72,799 hrs.) =	8.4 hrs./80 hrs.serv.
35-40 yrs. (72,800 - 83,199 hrs.) =	9.0 hrs./80 hrs.serv.
40-45 yrs. (83,200 - 93,599 hrs.) =	9.6 hrs./80 hrs.serv.
45-50 yrs. (93,600 -103,999 hrs.) =	10.2 hrs./80 hrs.serv.
etc.	

Solely for the purpose of additional annual leave and longevity compensation, an employee shall be allowed State service credit for: employment in any non-elective excepted or exempted position in a principal Department, the Legislature, or the Supreme Court which immediately preceded entry into the State classified service, or for which a leave of absence was not granted; up to five years of honorable service in the armed forces of the United States subsequent to January 1, 1938, for which a Military Leave of Absence would have been granted had the veteran been a State classified employee at the time of entrance upon military service. When an employee separates from employment and subsequently returns, military service previously credited shall not count as current continuous State service for purposes of requalifying for additional annual leave or longevity compensation if the employee previously qualified for and received these benefits.

#### **D. Crediting.**

Annual leave shall be credited at the end of the biweekly work period in which eighty (80) hours of paid service is completed. Annual leave shall be available for use only in biweekly work periods subsequent to the biweekly work period in which it is earned. When paid service does not total eighty (80) hours in a biweekly work period, the employee shall be credited with a pro-rated amount of leave for that work period based on the number of hours in pay status divided by eighty (80) hours multiplied by the applicable accrual rate. Annual leave shall be authorized, credited or accumulated in excess of the allowable cap, for an employee who is suspended or dismissed in accordance with this Agreement and who is subsequently returned to employment with full back benefits by an Arbitrator under Article 8, shall be permitted annual leave accumulation in excess of the allowable cap. Any excess thereby created shall be liquidated within one (1) year from date of reinstatement by means of paid time off work or receive a gross pay adjustment at the discretion of the employee. If the employee separates from employment for any reason during that one (1) year grace period, no more than the allowable cap of unused annual leave shall be paid off.

#### **E. Transfer and Payoff.**

Employees who voluntarily transfer from one State Department to another shall be paid off at their current rate of pay for their unused annual leave. However, the employee may elect, in writing, to transfer all accumulated annual leave.

Employees who separate after completion of the initial 720 hours of service shall be paid at their current hourly rate for the balance of their unused annual leave, subject to the applicable payoff cap in Section F.

#### **F. Annual Leave Cap.**

The cap on annual leave accumulation shall be 356 hours in accordance with the schedule below. No annual leave in excess of 240 hours shall be included in final average compensation for the purpose of calculating retirement benefits.

## **ANNUAL LEAVE ACCUMULATION SCHEDULE**

<b><u>Years</u></b>	<b><u>Accrual</u></b>	<b><u>Accumulation Cap</u></b>	<b><u>Payoff Cap</u></b>
1 - 5	4.7	296	256
5 - 10	5.3	311	271
10 - 15	5.9	326	286
15 - 20	6.5	341	301
20 - 25	7.1	346	306
25 - 30	7.7	356	316
30 - 35	8.4	356	316
		etc.	

### **G. Utilization.**

An employee may charge absence to annual leave only with the prior approval of the Employer. Annual leave shall not be credited or used in anticipation of future leave credits. In the absence of sufficient leave credits, payroll deductions (lost time) shall be made for the work period in which the absence occurred.

### **H. Banked Leave Time.**

Accumulated Banked Leave Time (BLT) may be used by an employee in the same manner as regular annual leave.

Accumulated BLT hours shall not be counted against the employee's regular annual leave cap, known as Part A hours. Before incurring unpaid Plan A or Plan C hours all BLT hours must be exhausted.

The employee must exhaust all BLT hours prior to being considered for any annual leave donation.

Upon an employee's separation, death or retirement from State service, unused BLT hours shall be contributed by the state to the employee's account within the State of Michigan 401(k) plan, and if applicable to the State of Michigan 457 plan. Such contribution shall be treated as non-elective Employer contributions, and shall be calculated using the product of the following: (i) the number of BLT hours and, (ii) the employee's base hourly rate in effect at the time of the employee's separation, death or retirement from State service.

### **I. Scheduling.**

Consistent with the operational needs of the Employer, annual leave may be granted at such times during the year as requested by the employee. Annual leave will only be authorized up to the maximum amount of annual leave credits in an employee's account prior to the initial date of the annual leave. Employees may not take annual leave without the Employer's prior approval. Barring an annual leave request for a special or an unusual travel plan, annual leave may be limited to two (2) calendar weeks in order to accommodate as many annual leave

requests for the same period or season or to comply with the operational needs of the Employer. Any holiday recognized in this Agreement which occurs during a requested annual leave period will not be charged as annual leave time. Formal systems of scheduling vacations and the duration of such vacations will, upon request, be negotiated at the secondary level.

**J. Conversion to Sick Leave.**

Employees on annual leave who become ill or are injured and who thereby require (1) hospitalization, (2) emergency surgery/treatment and convalescence therefrom, or (3) a medically prescribed confinement may convert such period of time to sick leave.

Employees who return home from or significantly interrupt annual leave because of death, injury or illness of a person other than the employee, for which sick leave could normally be used, may convert such time to sick leave, provided that such illness or injury requires (1) hospitalization and/or (2) emergency surgery/treatment and convalescence requiring the presence of the employee. Employees on annual leave at home shall have the same privilege.

Upon the Employer's request, an employee seeking to convert annual leave to sick leave under this Article must produce written medical verification as required by the Employer describing and verifying the injury or illness and hospitalization or treatment therefrom.

When placing an employee on a medical leave of absence for which the employee will be receiving benefits under the State's long term disability insurance program, the Employer will not charge any paid time to the employee's annual leave if the employee has requested the Employer not to do so, in writing.

**K. Annual Leave Buy Back.**

A laid off employee who has been rehired from layoff to a permanent position in a different Department/Agency may elect to buy back up to eighty (80) hours of accrued annual leave which had been paid off. An employee recalled to the Department/Agency from which he/she was laid off may elect to buy back any portion of annual leave up to the amount he/she was paid off. An employee electing this option shall buy back the annual leave at the returning rate of pay. Such payment shall be made to the Department/Agency making the original payoff. Such option may be exercised only once per recall, and must be exercised during the first thirteen (13) pay periods of the recall/rehire.

**L. Annual Leave Freeze.**

An employee separated by reason of layoff may elect to freeze annual leave up to the accrued balance at the time of layoff. Such balance shall be retained until the employee elects to be paid off for the balance or until the employee's recall rights expire, whichever occurs first. Payoff shall be at the employee's last rate of pay.

An employee may elect to freeze annual leave up to the accrued balance during a leave of absence by providing written notice of such intent to the Employer at the commencement of the leave of absence. Payment for annual leave due an employee who fails to return from a leave of absence shall be at the employee's last rate of pay prior to the leave.

**M. Voluntary Donation of Annual Leave.**

**1. Right to Receive Annual Leave Donations.**

Upon employee request, except as otherwise provided in this Article, annual leave credits may be transferred to other employees in the Bargaining Unit under the following conditions:

- a. The receiving employee has successfully completed his/her initial probationary period and faces loss of pay/lost time due to serious injury or the prolonged illness of the employee or his/her dependent spouse, child or parent.
- b. The receiving employee will exhaust all leave credits.
- c. The receiving employee's absence has been approved.
- d. An employee may receive a maximum of thirty (30) work days by direct transfer of annual leave from MSEA employees.

**2. The Right to Donate Annual Leave Hours.**

- a. Annual leave donations must be for a minimum of four (4) hours and a maximum of forty (40) hours and donations shall be in whole hour increments.
- b. Employee donations are irrevocable.

**3. Reciprocal Agreement.**

The right to donate hours is not limited to employees in this Bargaining Unit where reciprocal agreements exist with other exclusive representatives or is provided for in Civil Service Rules and procedures for non-exclusively represented employees.