

PERSONAL LEAVE PROGRAM/FURLOUGH 2020

Documentation, Payroll Processing, and Benefit Calculation Facts

OVERVIEW

As a result of agreements reached between the California Department of Human Resources (CalHR) and bargaining units 1, 2, 3, 4, 6, 7, 8, 10 11, 14, 15, 16, 17, 18, 20, and 21, as well as Excluded, Exempt, and Statutory Exempt employees, the Personal Leave Program (PLP) 2020 was established and effective with the July 2020 pay period.

Furlough 2020 was established for the July 2020 pay period for represented employees in bargaining units 5, 9, 12, 13 and 19. The PLP and Furlough require an employee's base salary be reduced by an average percentage amount equivalent to one or two days of leave credit.

Statutory employees will not accrue personal leave credit.

Please refer to the CalHR Pay Letter 20-18, Pay Differential 378 and 386, Exempt Program Letters and Exempt Salary Schedule for further information.

EMPLOYMENT HISTORY (EH) DOCUMENTATION

Each department is responsible for maintaining correct PLP or Furlough eligibility on their employees' EH records.

If an employee moves to a Collective Bargaining Identifier (CBID) or class code with different eligibility, departments are responsible for making the appropriate change on the appointment transaction. See Personnel Action Manual (PAM) instructions for documenting established earnings (Item 351, page 2.48.1) on EH transactions.

The PLP and Furlough 2020 pay reductions will be achieved using a pay differential established on each eligible employee's employment history record.

Bargaining Unit (BU) 1, 2, 3, 4, 6, 7, 8, 10 11, 14, 15, 16, 17, 18, 20, and 21

Reduction in pay equal to 9.23% using the Earnings IDs (EID) **8PH2** for PLP or **8FH1** for furlough.

BU5

Reduction in pay equal to 4.62% using the **EID 8FH2** (Rank-and-File) and **EID 8PH1** (Excluded/Exempt).

BU6 (Not in 7K ranges)

Reduction in pay equal to 4.62% using the **EID 8PH1**.

BU6 (Within 7K ranges)

Reduction in pay equal to 4.50% using the **EID 8PH7**.

BU6 (Fire Captain Classification, Class Code 9001, Alternate Ranges L and M, 192 hour schedule)

Reduction in pay equal to 3.85% using the **EID 8PH9**.

BU6 (Fire Captain Classification, Class Code 9001, Alternate Ranges N and P, 216 hour schedule)

Reduction in pay equal to 3.42% using the EID 8PH8.

BU7 (State Park Peace Officer (Ranger) classification, Class Code 0983, 171 hour 7K schedule - Hearst Castle)

Reduction in pay equal to 8.64% using the EID 8PH5.

BU7 (Fire Fighter classification, Class Code 8979, 192 hour 7K schedule and 216 hour 7K schedule)

Reduction in pay equal to 6.58% using the EID 8PH3.

BU7 (Fire Fighter classification, Class Code 8979 (212 hour 7K schedule), Captain Firefighter/Security Officer classification, Class Code 8989 (212 hour 7K schedule) and Firefighter/Security Officer classification, Class Code 8990 (212 hour 7K schedule)

Reduction in pay equal to 6.97% using the EID 8PH4.

BU8

Reduction in pay equal to 7.50% using the EID 8PH2 or 8PH6 (Career Executive Assignment (CEA)).

MILITARY LEAVE

Employees on military leave pursuant to Government Code Section 19775.18 are not subject to the PLP or Furlough reduction. Process a 350 transaction to delete the PLP or Furlough EID effective the date the employee begins active duty. Note: Deletion of the PLP or Furlough EID may be prior to the effective date of the EH military leave transaction if the employee is receiving regular pay for their first 30 days of military leave or elects to use leave credits.

Each department is responsible for manually deleting the PLP or Furlough EID for employees who began active duty on or after July 1, 2020. If an employee returns from military leave during the PLP or Furlough period, each department is responsible for adding the appropriate EID on the A03 reinstatement transaction.

RETIRED ANNUITANTS (RAs)

RAs appointed pursuant to Government Code Sections 19144, 21154, 21223, 21224, 21225 or 21227 are not subject to the PLP or Furlough 2020 reduction. Personnel and Payroll Services Division (PPSD) did not include any retired annuitants in the EH mass update process to add the PLP or Furlough EID to employee records.

Each department is responsible for manually adding the EID to the EH record of any retired annuitant employee subject to the reduction.

DISABILITY LEAVE

For Employees Approved for Disability Leave and Taken off Payroll: Departments are to process a 350 transaction to delete the PLP or Furlough EID from their EH records effective the same date/hours as the S49, S50, or 565 transaction. The 350 transaction should be keyed before the S49, S50, or 565 transaction and must be keyed before master payroll cutoff if the employee is due pay for the current month. (Note: The effective date/hours field on the S49 or S50 for State Disability Insurance (SDI) should be completed with beginning of business (BOB) or the appropriate hours).

For Employees Retroactively Approved for Disability: who previously received regular pay while their disability was pending, process a 350 transaction effective the beginning of the current pay period to delete the PLP or Furlough EID.

For those who did not receive regular pay while their disability was pending, process a 350 transaction to delete the PLP or Furlough EID effective the same date/hours as the S49, S50, or 565 transaction. The 350 transaction is keyed before the S49, S50, or 565 transaction. If the effective date of the disability approval is prior to the PLP or Furlough period, void the 350 transaction.

The PLP or Furlough EID should remain on EH records of employees placed on disability leave, but not taken off payroll (i.e., Special Change (SPC) transaction).

For employees returning from disability leave/off pay status, Departments are to process a 350 transaction to reestablish the PLP or Furlough EID as long as their return date.

SEPARATING EMPLOYEES

Separating employees do not earn any additional PLP or Furlough credits beyond the effective date of their separation. PLP and Furlough may not be cashed out, except as permitted in very limited circumstances (see bargaining unit contract agreement for details). In addition, lump sum pay is not subject to the PLP or Furlough reduction.

To pay lump sum time at the correct rate, Item 962 must be entered on the separation PAR. Item 962 identifies an alternate salary rate to pay all or part of separation pay. Separation pay includes lump sum vacation, overtime, holidays, etc. Sick leave can also be paid out as lump sum in cases of disability retirement.

Departments should use the employee's EH base salary rate or actual salary rate for an intermittent time base employee for Item 962s total salary rate for employees who do not have any other special pay (plus salary, shift differential, pay differentials or premium pays) to be included in the lump sum rate. For employees who do have other special pay, include all additional special pay to derive Item 962s total salary rate.

Please note: If the total lump sum vacation time in Item 620 is to be paid at the Item 962 rate, then the time in Item 962 (code 2) must equal the time in Item 620. If lump sum vacation time in Item 620 and lump sum overtime in Item 625 are both to be paid at the Item 962 rate, then the time in Item 962 (code 2) must only equal the time in Item 620. If the total lump sum overtime in Item 625 is to be paid at the Item 962 rate, then the time in Item 962 (code 3) must equal the time in Item 625.

ADDITIONAL POSITIONS

Employees are subject to the PLP or Furlough reduction up to a maximum equivalent of a full-time position (i.e., employees shall not earn more than 16 hours of PLP or Furlough in any pay period). Therefore, if an employee is appointed to more than one position, the department designated as the employee's primary employer will need to coordinate with the other employing department(s) to ensure the PLP or Furlough is administered appropriately according to the following instructions: If an employee has another position(s) in addition to a full-time position, the PLP or Furlough pay reduction shall apply to the full-time position only.

If an employee has multiple part-time or intermittent time base positions that together total more than one full-time position, the PLP or Furlough pay reduction shall apply to all positions that total the equivalent of one or more full-time position. If the PLP or Furlough reduction occurs for more than one full-time position, the primary department will be responsible for coordinating with the other department(s) to request adjustment(s) for any excess PLP or Furlough reduction(s) taken. See below for payroll processing information and instructions.

Departments must monitor personnel actions (time base changes, new additional positions, and separations from one of the additional positions) and take the appropriate actions.

PAYROLL PROCESSING

REGULAR PAY

Regular pay (payment type 0) payments will reflect the PLP or Furlough reduction for both positive and negative pay employees.

OVERTIME

Holiday and Overtime Pay Holiday and overtime pay are not subject to the PLP or Furlough reduction. The payroll system will generate the correct salary rate for the system generated holiday/overtime rate EIDs (OT7, OT8 or OT9 for overtime pay and H, H5 or H6 for holiday pay).

PREMIUM PAY

Percentage based or step rate premium pay is not subject to the PLP or Furlough reduction. No special processing is required to request premium pay through the Payroll Input Process (PIP) system.

Departments should follow the normal PIP procedures to request pay.

DOCK

Employees on dock during a pay period are still subject to the PLP or Furlough reduction. A 350 transaction to delete the EID should not be processed. The employees will earn PLP or Furlough on a prorated basis, per the Intermittent/Hourly accrual chart within each bargaining unit contract agreement.

DISABILITY LEAVE

Disability pay and disability supplementation pay are not subject to the PLP or Furlough reduction. However, any regular pay for actual time worked during a disability period is subject to the reduction.

The employee's EH record should be updated by the Department to delete the PLP or Furlough pay differential at the time the EH disability leave transaction is processed.

PLP AND FURLOUGH ACCRUAL RATE

PLP and Furlough accruals should be adjusted accordingly based on the hours worked during the pay period.

PLP accrual rate is based on the number of hours the employee is paid for the pay period. Emergency Family Medical Leave Act (EFMLA) supplementation combined with hours worked or other leave used should also use the intermittent chart to determine the PLP accrual for the pay period.

EFMLA/Emergency Paid Sick Leave Act (EPSLA) pay is paid at the unreduced rate so that time or hours does not receive the PLP accrual.

All Permanent Intermittent and Special School employees who are subject to the State Special Schools 10-month compensation agreement shall be subject to the proration of salary and PLP2020 credits pursuant to the chart below:

Hours Worked During Credit Pay Period	PLP 2020 Hours Earned
0–10.9	1
11–30.9	2
31–50.9	4
51–70.9	6

Hours Worked During Credit Pay Period	PLP 2020 Hours Earned
71–90.9	8
91–110.9	10
111–130.9	12
131–150.9	14
151 or over	16

Bargaining Unit 3 employees who work academic calendars will accrue PLP2020 on a pro-rated basis, as follows:

Days per Academic Year	Fulltime (FT)
176	10.84
184	11.32
194	11.94
209	12.86
220	13.54

Separating employees *do not earn* any additional PLP or Furlough credits beyond the effective date of their separation.

EFMLA/EPSLA BENEFIT ENTITLEMENT

While the employee can use leave in partial days, only the time the employee was out on EFMLA will count against their 12 work week entitlement.

This also means that the employee may potentially use up their \$10,000 limitation, prior to exhausting their 12 week benefit.

Depending on the employees schedule the 12 work weeks can be different from person to person. For a normal fulltime employee 12 work weeks will be 480 hours.

Per CalHR: “The intent is that it is 2/3 and \$200 per work day, and not per 8 hours. This would make it very complicated if the employee were using only two hours per day, or had a varied schedule of working 4 hours, 2 hours, 6 hours, and then 3 hours during the same week.

For Work Week Group E/SE (salaried employees) who are typically the higher wage earners, who work partial days, will receive their full pay. The pay will not be reduced. Any time not worked will count against their EFMLA entitlement. Once their 12 work week entitlement is exhausted, they will no longer be eligible for the benefit.

ESTABLISHED EARNINGS LIMIT

There are three fields available on EH where established earnings can be entered. If all three fields are completed and the PLP or Furlough 2020 EID must be added, delete one of the existing EIDs and add the appropriate EID. The deleted pay differential will need to be keyed via the PIP system until the PLP or Furlough 2020 is discontinued. See Payroll Procedures Manual (PPM) Sections G 100 and K for PIP processing information.

THE PLP AND FURLOUGH PAY REDUCTION CALCULATION

The PLP and Furlough pay reduction amounts are system generated and computed by multiplying the PLP or Furlough EID percentage rate by the base salary rate (or actual salary rate for intermittent time base employees) and rounding the amount to the nearest dollar/cent. To arrive at the reduced base salary, subtract the PLP or Furlough reduction amount from the base salary.

Examples

R06 Employee in 7K range:

\$6144.00 (base pay) x 4.50% (PLP 2020 EID percentage) = \$276.48 (PLP amount)

\$6144.00 (base pay) - \$276.48 (PLP 2020 amount) = \$5867.52 (PLP reduced base pay rate)

EMPLOYEES WORKING WHILE ON EPSLA/EFMLA

Per the Federal Department of Labor, employees who are using EPSLA and EFMLA shall be paid at their regular rate of pay. This means employees will be paid their unreduced salary for hours/days taken under this program. The PLP/Furlough hours for the pay period will be prorated based on the hours paid that are not EPSLA/EFMLA using the intermittent chart.

INTERMITTENT EPSLA AND EFMLA

EPSLA and EFMLA time off shall be paid using the unreduced regular salary rate of pay, while hours worked, including leave used unrelated to EPSLA/EFMLA shall be paid using the reduced regular rate of pay. EFMLA shall be paid at 2/3rds of the unreduced salary rate. EPSLA shall be paid at the full unreduced salary rate.

Workweek Group E/SE employees who are working partial days will receive the reduced rate. WWG E/SE employees are not using leave in partial days and it is like any other day when they do not work a full day.

PAYROLL PROCESSING FOR EMPLOYEES WORKING WHILE ON EPSLA/EFMLA

Using the EFMLA Benefit with Supplementation Worksheet, determine the regular hours to be paid for hours worked and hours of leave credit supplementation (excluding EPSLA) to be paid at the reduced pay rate.

Determine the total number of days/hours of EPSLA/EFMLA to be paid at the unreduced salary rate.

There are two options available to issue pay for employees using the EPSLA/EFMLA benefit with PLP:

- For employees electing partial or no supplementation, dock should be documented on form STD. 603 and keyed in PIP using the DCK screen prior to master payroll cutoff.
- Allow the master to issue if the employee is entitled to their full pay at the reduced rate.

Once the regular hours and leave credit supplementation have issued, complete a Std. 674 form to request the salary to be paid at the unreduced salary rate for the EPSLA/EFMLA.

ELIGIBILITY FOR STATE SPONSORED HEALTH BENEFITS

Rank-and-File and Excluded employees in Service Employees International Union (SEIU) classifications and all Exempt employees who are not eligible for state-sponsored health benefits enrollment in a California Public Employees Retirement System (CalPERS) health plan are not subjected to the PLP reduction.

DISABILITY PAY FOR EMPLOYEES ON TEMPORARY DISABILITY (TD), INDUSTRIAL DISABILITY LEAVE (IDL), OR NONINDUSTRIAL DISABILITY INSURANCE (NDI) DISABILITY

Disability pay and disability supplementation pay are not subject to the PLP or Furlough reduction. However, pay for time worked by an employee while on disability leave is subject to the PLP or Furlough reduction.

The employee's EH record should be updated by the Department to delete the PLP or Furlough pay differential at the time the EH disability leave transaction is processed.

RETIREMENT

Both employee and the state share for retirement are based on the reduced PLP or Furlough pay rate. However, for purposes of reporting final compensation to CalPERS for retirement calculations, the unreduced rate is used. The State Controller's Office will report the appropriate salary rates to CalPERS for employees subject to the PLP or Furlough pay reduction.