



Office of Human Resources & Workforce Diversity

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December 7, 2007

TO: Chancellors

FROM: Alan N. Crist,
Associate Vice President

RE: New Regent Policies regarding Sick Leave Accrual and Reporting for Faculty, Academic Staff, and Limited Appointees

At the December Board of Regents meeting, the board passed three resolutions that will change vacation, personal holiday, and sick leave reporting requirements and sick leave accrual for unclassified staff not in compliance with leave reporting requirements. The three policy statements are stated below. Two attachments provide background and rationale information for these changes, one is a leave reporting requirements fact sheet and the other is rationale for defining a 40-hour work schedule for purposes of leave reporting. Background materials and information on how to report sick leave will also be available on the UW System web site at www.uwsa.edu/hr/benefits/leave/sick.htm as soon as revisions can be made reflecting these policy changes.

Policy: Sick Leave, Vacation, and Personal Holiday Leave Reporting for Unclassified Staff

Effective January 1, 2008 it shall be the policy at each institution in the UW System that sick leave, vacation, and personal holiday leave for full-time unclassified employees shall be charged in units of one-half days. Absence of one-quarter day up to three fourths day shall be charged as one half day. Absence of three fourths day up to one and one quarter day shall be charged as one day. Employees with less than full-time appointments shall report actual hours absent when using sick leave, vacation, and personal holiday leave.

Policy: Reduction of Sick Leave Accrual for Unclassified Staff Failing to Report Leave Usage

Effective with sick leave accrued in fiscal year 2007-08, any employee who fails to file a report on leave usage as required by UW System policy in one or more months of any year shall not be permitted to accrue sick leave for that year in an amount exceeding the cap established by s. 40.05(4)(bp)1., Wis. Stats. (i.e., 8.5 days for an annual appointee or 6.4 days for an academic year appointee).

Policy: Sick Leave Reporting and Teaching Responsibilities

Effective with the beginning of the Spring 2008 semester, teaching responsibilities not met because of an absence specified in UWS 19.01, Wis. Adm. Code, must be reported as leave, regardless of whether a qualified instructor covers the aforementioned responsibilities. Teaching responsibilities include class time preparation, actual classroom instruction, and scheduled office hours available to students for educational guidance.

I will be working with your Human Resource Directors and Academic Personnel Officers to ensure that these Board of Regents policy changes are broadly communicated to all unclassified staff. Your assistance with and support of these communication efforts will be greatly appreciated.

Thank you.

cc: President Reilly
Cabinet
Provosts/Chief Business Officers
Human Resource Directors/Academic Personnel Officers
Faculty Representatives/Academic Staff Representatives
Fringe Benefits Advisory Committee

Leave Reporting Requirements Fact Sheet

Whether you are a new or existing employee, it's important to recognize that sick leave, vacation, and personal holidays are significant elements of the UW System total compensation package. Accountability for proper leave use and reporting are essential to ensure the on-going availability of these valuable benefits.

- For unclassified employees – faculty, academic staff, and limited appointments – leave is earned on a fiscal basis, July 1 through June 30.
- Annual-based employees earn sick leave, vacation, and personal holidays.
- Nine-month academic year employees earn sick leave and legal holidays that fall during the academic year, but not vacation or personal holidays.
- If you are employed on a part-time basis, your leave time is pro-rated consistent with your percentage of employment or actual hours worked.

Sick Leave

In Wisconsin, unused sick leave has a high value after retirement. At retirement, the sick leave balance is converted to dollar credits to pay for health insurance. Employers contribute to fund the program.

- New full-time employees are granted an initial entitlement of 22 working days (176 hours) of sick leave. After 18 months of service, employees with *annual appointments* earn sick leave at the rate of one day per month and employees with *academic-year appointments* earn sick leave at the rate of six days per semester.
- Except for the initial entitlement, sick leave may be taken only after it has been earned.
- Sick leave can be used when you cannot be present during your official schedule due to medical appointments, your own illness or injury or that of a family member who requires your care, or the death of a family member. State law and UW policy allows employees to use sick leave for time off for a birth or adoption.
- If you report completely, accurately, and in a timely manner, your unused sick leave accumulates from year to year without limit.

Leave Reporting

In response to a Legislative Audit Bureau (LAB) report, in 1987 the state legislature imposed a cap on the amount of sick leave faculty, academic staff, and limited appointees could use to pay for health insurance upon retirement, layoff, or death. With the cap, accrued sick leave would be limited to 8.5 days per year for annual employees and 6.4 days per year for academic-year employees.

In order to obtain a waiver to this cap, each UW institution independently agreed to identify a standard 40-hour work week for reporting purposes, distribute a monthly statement, and collect monthly reports, even if no leave has been used. Accurate leave reporting is part of the UW System's responsibility to the public. It is important to remember that you are a part of a larger community and your actions can affect not only you but also your colleagues and your institution.

- You must establish a standard work week for reporting purposes.
- Your official schedule should total 40 hours per week (pro-rated for part-time), and should include all classes, office hours, other regularly scheduled obligations, and time for research or other self-directed work required by your appointment.
- The default schedule for all unclassified employees is Monday through Friday, 7:45 a.m. – 4:30 p.m.
- With the approval of your department chair or supervisor, you may file an alternate schedule. With the approval of your department chair or supervisor, you may change your official schedule whenever necessary.
- A leave report is due monthly, regardless of whether any leave time is used during the month.
- Submit your monthly leave report to your department chair or supervisor, whichever is applicable, no later than the **10th of the month**.
- Indicate the amount and type of leave taken on the day or days of the month for which the report is completed, and sign and date the form.
- Part-time employees report actual hours missed.
- Full-time employees report sick leave in half- and full-days (4 and 8 hours).

During each work day, if you miss:	< 2 hrs	2-6 hrs	6-10 hrs
Report leave of:	0 hrs	4 hrs	8 hrs

Additional Information

- Unclassified Personnel Guideline (UPG) on Sick Leave Policy www.uwsa.edu/hr/upgs/upg10.pdf.
- UWSA web site for sick leave: www.uwsa.edu/hr/benefits/leave/sick.htm.
- UWSA presentation on leave reporting www.uwsa.edu/hr/leave/unclassleavereporting.ppt.
- UWSA sick leave presentation www.uwsa.edu/hr/benefits/leave/unclasssickleave.ppt.
- UWSA unclassified employees benefits presentation www.uwsa.edu/hr/benefits/newemp/orientunclass.ppt
- Leave reports are required by www.legis.state.wi.us/statutes/Stat0040.pdf

Rationale for Defining a 40-hour Work Schedule for Purposes of Leave Reporting

At the UW System, unused sick leave has a high value after retirement. Not only are your unused hours of sick leave converted to dollar credits to pay for health insurance, but also, if you work for the State and/or UW System for at least 15 continuous years prior to retirement, those hours are matched (up to a limit) under the Supplemental Health Insurance Conversion Credit Program. At retirement, the cost of your health insurance premiums is deducted from your accumulated sick leave credits until the credits are used up. The ability to convert unused sick leave, and to receive supplemental sick leave credits, is a substantial, *non-taxable* addition to your retirement income.

Most UW System peer institutions do not have a monetary value associated with the accrual of unused sick leave. And for those that do, the value is substantially less than the monetary value of our accumulated sick leave conversion program. Sick leave, vacation, and personal holidays are significant elements of the UW System total compensation package and a significant recruitment and retention tool.

In response to a Legislative Audit Bureau (LAB) report, in 1987 the state legislature imposed a cap on the amount of sick leave faculty, academic staff, and limited appointees could use to pay for health insurance upon retirement, layoff, or death. With the cap, accrued sick leave would be limited to 8.5 days per year for annual employees and 6.4 days per year for academic-year employees, instead of the 12 days per year unclassified employees may accrue without the cap.

In order to obtain a waiver to this cap, each UW institution independently agreed to identify a standard 40-hour work week for reporting purposes, distribute a monthly statement, and collect monthly reports, even if no leave has been used.

Normally, salaried professionals are exempt from overtime regulations and are not accountable for a 40-hour per week schedule. Many UW System faculty, academic staff and limited employees work far more than forty hours per week. However, in order to simply and fairly report sick leave usage and to be accountable to the State, it is necessary to identify a work schedule that uses a generally acceptable standard. This does not imply that unclassified staff only work 40 hours per week; it merely is a way to establish a workable means of recording the use of sick leave that is as equitable as possible.

Therefore, a 40- hour work week must be established for each individual against which he or she will report the use of sick leave. The specific schedule may change as needed to reflect changes in ones regular work schedule. With the approval of your department chair or supervisor, you may file a 40-hour work schedule that meets your needs, and you may change your official schedule whenever necessary. If you choose not to file a specific 40-hour work week schedule your sick leave reporting will be based on the standard state work schedule Monday – Friday 7:45 a.m. to 4:30 p.m.

Good documentation of your eligibility for sick leave credits and accurate leave reporting are part of our responsibility to the state and to the public. It is important to remember that you are a part of a larger community and your actions can affect not only you but also your colleagues and your institution. Accountability for proper leave use and reporting are essential to ensure the on-going availability of these valuable benefits.

Additional Information

- Unclassified Personnel Guideline (UPG) on Sick Leave Policy www.uwsa.edu/hr/upgs/upg10.pdf.
- UWSA web site for sick leave: www.uwsa.edu/hr/benefits/leave/sick.htm.
- UWSA presentation on leave reporting www.uwsa.edu/hr/leave/unclassleavereporting.ppt.
- UWSA sick leave presentation www.uwsa.edu/hr/benefits/leave/unclasssickleave.ppt.
- UWSA unclassified employees benefits presentation www.uwsa.edu/hr/benefits/newemp/orientunclass.ppt
- Leave reports are required by www.legis.state.wi.us/statutes/Stat0040.pdf