

Question and Answers
Special Annual Leave Bonus
Session Law 2013-360

Section 35.10C of Session Law 2013-360 states: Any person (i) who was on July 1, 2013 a full-time permanent employee of the State, a community college institution, or a local board of education, or was under contract on July 1, 2013 to be employed for the 2013-2014 school year in such a position, and (ii) who is eligible to earn annual leave, shall have a one-time additional five days of annual leave credited on July 1, 2013. The additional leave shall be accounted for separately from the annual leave bonus provided by Section 28.3A of S.L. 2002-126, by Section 30.12B(a) of S.L. 2003-284, and by Section 29.14A of S.L. 2005-276, and must be used by June 30, 2014. Annual leave bonus not used during FY 2013-2014 shall expire on June 30, 2014 and shall not be paid in a lump sum upon termination of employment unless the person effects a retirement from a State-supported retirement system immediately upon termination of employment. Part-time permanent employees shall receive a pro rata amount of the five days.

Eligibility

1. Who is eligible?

- Any person who is eligible to earn annual leave
AND
- who was a permanent employee of LEA on July 1, 2013
OR
- who was under contract to be employed for the 2013-2014 school year, on July 1, 2013.

2. What are the definitions of permanent, full-time and part-time employees?

Sections 1.1.3, 1.1.4, and 1.1.5 of the North Carolina Public Schools Benefits and Employment Policy Manual address this:

<http://www.ncpublicschools.org/docs/humanresources/district-personnel/key-information/information/policymanual.pdf>

3. Are teachers and others paid on the salary schedule eligible for the leave?

Yes

4. If the LEA contracts with an employee on July 15th to work the 2013-14 school year are they eligible for the 5 days?

No, if contract was established after July 1, 2013, the employee is not eligible.

5. Our non-certified personnel do not have contracts, how do we determine if they are eligible?

If a written job offer has been made to an employee and the employee has accepted prior to July 1, 2013, the employee is eligible for the leave

6. Is a temporary employee eligible for the 5 days?

No

7. Are probationary employees eligible?

Yes

8. Are employees who are on leave without pay eligible?

Employees on leave without pay are credited with the 5 days upon their return. However, the annual leave bonus cannot be received or used after June 30 2014.

9. Are part time employees eligible for the 5 days?

Yes, they are eligible for a prorata share of the 5 days. The employee must be eligible to earn annual leave to be eligible for the 5 days. The prorata share will be at the same rate as their rate for annual leave. Eg. If they receive 75% annual leave, they are eligible for five days leave at 75%.

10. I have employees that are in 2 part time positions, how much do they receive?

They receive the same percentage as they receive for annual leave.

11. Are contractors eligible for the 5 days?

No

12. Are employees paid from non state funds required to receive the 5 days?

Yes, employees of the LEA must be considered for eligibility.

13. Do charter schools have to provide the 5 days to their employees?

No. Charter school employees are not included in this legislation.

14. If a teacher works in LEA #1 for the entire 2012-2013 school year (ending June 12), then becomes an employee with LEA for the entire 2013-2014 school year (beginning Aug 17), does she earn the leave?

If the teacher terminated from LEA#1 and got paid out his/her leave etc and was NOT under contract on July 1 for LEA#2. The employee is not eligible for the bonus leave.

15. Is the eligibility determined by the first day of work?

No, if the employee is approved by the local board to be employed for the 2013-14 school year on July 1, they are eligible regardless of when their first day of work is. Therefore, if the Board approved a teacher to be employed on June 20th and that teacher starts their 10 month contract on August 15th, they are eligible for the 5 days.

16. Do new hires on July 2, the first work day of the new fiscal year, meet the July 1 employment requirement?

If they were under contract to work on July 1, they are eligible.

17. Do 10 month employees receive a prorata share?

No, 10 month employees receive the 5 days

18. If an employee resigns June 30, 2013 and retires July 1, 2013 do they get paid for any remaining days?

No

19. If an employee chooses August 1 as their retirement date. Their retirement letters were submitted and approved prior to June 30. The teachers are technically still under contract since they are tenured and have permanent contracts but not to be "employed for the 2013-14 school year" since that doesn't begin for 10 month employees until August 20 this year.

No, there is no intent for the employee to work in FY 2013-14 therefore the employee is not eligible for the 5 days.

20. We have offered an employee a position and they verbally accepted the position prior to July 1, 2013, but did not sign their contract until after July 1, 2013. Is this employee eligible for the five days of bonus leave?

If there has been a commitment made by both parties for employment in the 2013-14 school year by July 1, 2013, they would be eligible for the leave. This applies to non-certified and certified employees.

21. If an employee is out on short-term disability on July 1, 2013, are they eligible for the five days of bonus leave?

The employee is eligible for the five days of bonus leave when they return to work. However, the annual leave bonus cannot be received or used after June 30, 2014.

22. If an employee was out on short-term disability on July 1, 2013 and is unable to return to work, thus resigning their position and going out on long-term disability, are they eligible for the five days of bonus leave?

No. The employee must have returned to work in order to be able to receive the five days of bonus leave.

23. If an employee is out on workers compensation on July 1, 2013, are they eligible for the five days of bonus leave?

The employee is eligible for the five days of bonus leave when they return to work. However, the annual leave bonus cannot be received or used after June 30, 2014.

Use of the leave

24. How may bonus leave be used?

- a) Bonus leave may be used for any purpose for which regular annual leave is used.
- b) Bonus leave shall be taken only upon the authorization of the supervisor.
- c) Bonus leave may not be used on an instructional day, if the employee requires a substitute.
- d) Bonus leave shall be charged in units of time consistent with regular annual leave guidelines.

25. Teachers are restricted on being able to take annual leave. Can the LEA designate 5 of the built in Annual leave days in the calendar as bonus leave?

The LEA may build the 5 days in to the calendar. The recommendation is to communicate clearly to the personnel, so that there is no confusion with regards to the use.

26. Can the bonus leave be donated as Voluntary Shared Leave (VSL)?

Per Office of State Personnel, this bonus leave cannot be donated as VSL.

27. Can the bonus leave be applied to negative annual leave balance?

Bonus leave may be applied to negative balances of regular earned leave with the approval of the employee and the superintendent (or designee), but it cannot be applied to negative balances that were incurred prior to July 1, 2013.

Accounting for the Vacation Bonus

28. Can the 2013-14 bonus leave be combined with regular annual leave or previous bonus leave?

No, the bonus leave shall be accounted for separately from regular earned annual leave and bonus leave.

29. How do we account for the bonus leave?

The leave will be coded to "29 – 2013-14 Bonus Leave". This leave has no deduction.

30. Is the 5 days included in the maximum rollover balance at December 31?

No, it will not be considered as part of the maximum 30 days of vacation that can be retained. Any balance of bonus leave on December 31 will be retained by the employee and transferred into the next calendar year.

Agencies shall maintain records of bonus leave.

Payout at Termination

31. Do 2013-2014 annual leave bonus days expire?

Yes. The annual leave bonus days must be used by June 30, 2014 or they will be forfeited.

32. Can the annual leave bonus be paid out upon separation of employment?

There is no payment for unused bonus leave UNLESS the employee retires immediately after termination.

33. What object code is the paid out bonus leave coded to (for those who immediately retire)?

Object code 185

34. If an employee retires after June 30, 2014, but has submitted paperwork prior to June 30, 2014, can any unused bonus leave be paid out?

Yes, if the employee resigned with a separation date prior to June 30, 2014 but an effective retirement date of July 1, 2014.

No, if the retirement effective date is after July 1, 2014. Any unused bonus leave expires on June 30, 2014.

35. Can unused bonus leave be converted to sick leave?

No, bonus leave will not be subject to conversion to sick leave.

36. Does the bonus leave transfer if the employee moves to another LEA?

Any balance of bonus leave will be transferred with the employee who transfers to another State agency or Local Education Agency eligible for bonus leave, until June 30, 2014 when the leave expires.

37. If the employee terminates and is then reemployed are they eligible for the leave on reemployment?

The leave is lost on termination and is not reinstated unless the separation was due to a reduction-in-force.

38. Is the 5 days in addition to the 30 day maximum that can be paid out at termination

Yes

39. Can Federal funds be used to pay out the bonus leave?

No, local funds must be used to fund annual leave pay out of federally funded employees

40. What do the words "immediately upon termination of employment" mean?

Immediate is defined as the first day of the month following the effective date of the separation.

For example, if an employee separates due to retirement on August 10, 2013, the effective date of the retirement shall be Sept 1, 2013. This individual would be eligible for payout.