



## PA TURNPIKE COMMISSION POLICY

*This is a statement of official Pennsylvania Turnpike Policy*

**NUMBER:** 2.12

**APPROVAL DATE:** 07-01-2003

**EFFECTIVE DATE:** 07-01-2003

**REVISED DATE:** 06-19-2003

**POLICY SUBJECT:**

Vacation Leave Usage for Retirement or Voluntary Separation

**RESPONSIBLE DEPARTMENT:**

Human Resources

**A. PURPOSE:**

To provide a policy for Pennsylvania Turnpike Commission Management/Local 30 First Level Supervisory employees to regulate the use of “available vacation leave” prior to an employee’s retirement date, or resignation if employee’s service is vested through the State Employee’s Retirement System (SERS).

**B. SCOPE:**

This policy is for Management\Local 30 First Level Supervisory employees who retire or who voluntarily separate their employment with vested state service. This procedure is not applicable to persons accepting new employment in a position that is part of the State Employee's Retirement System or the Public School Employees' Retirement System. An employee who is terminated from his/her position is ineligible for this benefit.

**C. GENERAL POLICY:**

Management or Local 30 First Level Supervisory employees who are retiring as a SERS annuitant, may request to charge all or some of their “available vacation leave” prior to their retirement date.

Use of “available vacation leave” may also be requested up until the last day of service for an employee who is voluntarily separating employment, as long as the employee’s service time is, or will be, vested by SERS by the time his/her “available vacation leave” is exhausted.

This policy addresses the date pension payments begin, vested service, leave accruals, holiday pay, medical benefits, life insurance, full-time vs. part-time status, return to work rights to the position and guidelines for filling the employee’s position.

1. Retiring Employees

An employee may use “available vacation leave” up until his/her retirement begins as authorized by the Chief/Director. The employee’s pension payments will begin from SERS after the employee’s “available vacation leave” has been exhausted and actual retirement begins.

The employee will not accrue sick and vacation leave nor be eligible for holiday pay after their last day worked and while using his/her "available vacation leave" up until the date retirement begins.

The employee's salary will be frozen at the salary they were receiving on the last day worked. The employee will not receive future salary increases after their last day worked.

The employee will remain in "active medical benefit status" until the first day of the month following the date that the actual retirement begins. On the first day of the month following the retirement date, the retiree will be transferred to a retiree medical group plan if he or she is eligible for medical benefits by meeting the service requirements as outlined by the PTC for management employees.

The employee's life insurance policy will remain in effect until the last day the employee is in active status.

This leave may not be used to create a part-time schedule (i.e., 3 days a week) until the date of retirement or resignation. This leave must be taken consecutively without interruption.

Upon acceptance of the employee's resignation he or she will have no rights to return to the position. Accordingly, the Commission may immediately proceed to fill the vacancy.

## 2. Separating Employees

Employees may use "available vacation leave" when leaving a position in which he or she has vested service as authorized by the Chief/Director.

The employee will not accrue sick and vacation leave after their last day worked nor are they eligible for holiday pay and while using their "available vacation leave" up until the date of his or her resignation with vested service.

The employee's salary will be frozen at the salary they were receiving on the last day worked. The employee will not receive future salary increases after their last day worked.

Active employee medical benefits will remain in effect until the end of the month in which the employee last worked.

The employee's life insurance policy will remain in effect until the last day the employee is in active status.

This leave may not be used to create a part-time schedule (i.e., 3 days a week) until the date of retirement or resignation. This leave must be taken consecutively without interruption.

Upon acceptance of the employee's resignation he/she will have no rights to return to the position. The Pennsylvania Turnpike Commission may immediately proceed to fill the vacancy.

## D. **DEFINITIONS:**

Available Vacation Leave- Shall mean the available balance of accrued vacation leave at the time the request for retirement or separation is approved.

Vested Service- State service is vested through SERS when an employee has five years of service and is under age 60 or three years of service and is over age 60.

Active Medical Benefit Status- Shall mean that employees will have active medical benefits during this time period.

#### **E. PROCEDURES:**

The employee should request in his/her resignation letter to use "available vacation leave" prior to separating employment. The employee's immediate supervisor must receive this letter 10 days prior to beginning the leave. The adjusted date of actual resignation should be the date the employee will no longer be in active status. This date will be after the employee exhausts his/her "available vacation leave" or uses the amount of leave requested.

The request for leave prior to resignation will be reviewed by the Chief/Director. If approved, the Chief/Director should initial the letter and forward it along with the Recommendation for Personnel Action (72-52) form for the prospective retiree or person resigning with vested service to Human Resources.

Human Resources will verify the actual "available vacation leave". If the employee qualifies for leave under this policy, the Director of Human Resources will send the employee a letter indicating actual "available vacation leave" and an acceptance his or her resignation. A copy of the letter will be sent back to the Chief/Director of the Department.

Human Resources will ensure the employee's salary is frozen at the salary they were receiving on the last day worked and the employee's vacation and sick leave accruals end on the last day they are in active status.

The Payroll Department will ensure that paychecks continue bi-weekly until "available vacation leave" is exhausted and that holiday pay is not given to employees in this leave status. Retirement deductions will continue to be taken out of the bi-weekly paychecks while the employee is using his\her "available vacation leave".

Upon acceptance of the employee's resignation, the Chief/Director of the Department may treat the position as a vacancy and begin the process to fill the position. As long as there is sufficient funding in the Department budget, the position may be posted and filled prior to the actual last day of the employee's vacation leave by following the appropriate approval process.

*This Policy Letter supersedes all previous Policy Letters on this subject.*