DATE: December 1, 2016

TO: Agency Human Resource Managers, Cabinet Secretaries, Agency Heads and Elected Officials

FROM: Justin Najaka, State Personnel Director

SUBJECT: End of Year - Leave Usage

As we move toward the end of the calendar year, this memo provides agencies with guidance relating to "using-or- losing" leave, and the buyback of sick leave.

**Annual Leave:** Subsection E. of 1.7.7.8 NMAC allows a maximum of 240 hours of annual leave to be carried forward after the last pay period beginning in December. Since the last pay period beginning in December starts on Saturday, December 31, 2016, employees will have until January 13, 2017, to use any Annual Leave hours over 240, before leave balances are reduced back to 240 hours. For example, if an employee has 244 hours on December 30, 2016, the employee must either use four hours (4) by January 13, 2017, or the four (4) hours will be lost. Note: The employee does not need to account for any leave they would accumulate the pay period ending January 13, 2017, since new leave accrual amounts will be added to the employee’s balance after the program runs to adjust balances to 240 hours.

**Personal Leave Day:** Subsection C. of 1.7.7.17 NMAC states that the personal leave day must be taken by December 31st of each year, or it will be lost. Eligible employees will have until December 31, 2016, to take the Personal Leave Day awarded in 2016, if they have not already done so. Note: An eligible employee is a person in the classified service that has completed their probationary status.

**Sick Leave:** Subsection I. of 1.7.7.10 NMAC allows employees to request payment for unused sick leave in excess of 600 hours at a rate equal to fifty percent (50%) of their hourly rate of pay up to 120 hours. Payment for unused sick leave may be made only once per fiscal year on either the pay day immediately following the first full pay period in July or the first full pay period in January. If the employee exercised this option in July 2016, they are not eligible to request payment for unused sick leave in January 2017. Sick leave buyback needs to be processed for eligible employees during the pay period ending January 27, 2017. The employee will see the payment in the paycheck dated February 3, 2017. Note: For employees who are retiring, immediately prior to retirement from the classified service, employees are entitled to be paid for unused sick leave in excess of 600 hours at a rate equal to fifty percent (50%) of their hourly rate of pay up to 400 hours.

If you have any questions, please contact your designated SPO Consultant.