

STATE OF MAINE
BUREAU OF HUMAN RESOURCES

July 24, 1991

HUMAN RESOURCE MEMORANDUM 23-91

TO: Agency/Department Heads, Personnel Managers, Directors of
Administrative Services

SUBJECT: 1991-1993 Voluntary Cost Savings Programs

EXTENSION OF CERTAIN VOLUNTARY COST SAVINGS PROGRAMS

The following Voluntary Cost Savings Programs have been extended by the Legislature and will be available for participation through June 30, 1993:

.Reduced Workweek: Full-time employees and part-time employees who are scheduled to work more than twenty (20) hours per week may apply to their appointing authority to reduce their workweek to fewer hours, provided the reduced schedule is at least twenty (20) hours per week.

.Sporadic Leave: Full-time and part-time employees may apply to their appointing authority to take sporadic days off without pay. Leave must be taken in blocks of eight (8) hours or the number of hours in the normal work day. Sporadic days may be consecutive, but not more than five (5) days of sporadic leave may be taken during any bi-weekly pay period.

.Unpaid Leave: Full-time and part-time employees may apply to their appointing authority to take up to one (1) year of unpaid leave. Unpaid leave must be for at least one week.

.Flexible Position Staffing: Subject to approval by the appointing authority or appointing authorities involved, the hours of a single full-time position may be divided by two (2) full-time employees who are qualified for appointment to that position. The hours must be divided so that each employee works twenty hours per week or the equivalent of twenty hours per week in fifty-two (52) weeks (e.g., one employee works 40 hours per week for first six months and the other works 40 hours per week for second six months.)

Participation in the Voluntary Cost Savings programs during the extension from July 1, 1991 to June 30, 1993 will not be credited to any future time off without pay that may be required as part of the funding process for general salary increases.

HEALTH, DENTAL AND LIFE INSURANCES

Health and Dental Insurance: Participants in the voluntary cost savings programs will not experience a reduction in health

and dental insurance benefits. For participants who stay on the payroll, the State's payment for the participant's coverage and the State's share of the participant's dependent health insurance package will continue to be based on the work schedule in effect prior to participation. Deductions will be made for the participant's share of dependent coverage, as applicable. For participants who take unpaid leave, the State will make payments for the employee's coverage and its share of the participant's dependent health insurance package based on the work schedule in effect prior to participation. The participant will be billed for the participant's share of dependent coverage, as applicable.

Life Insurance: Participants in the Voluntary Cost Savings programs will be allowed to continue the life, accidental death and dismemberment, supplemental and dependent insurance coverage amounts that were in effect prior to participation. For participants who stay on the payroll, the State will continue to pay the employee premium for the prior basic coverage, and deductions will be made for the cost of supplemental and dependent plans, as appropriate. Participants who go off the payroll may pay the premium cost required to continue their life insurance coverages in effect prior to participation, provided the required payment is made within thirty-one days of their last paycheck.

APPLICATION GUIDELINES

1. Agencies must ensure that employees are notified of this extension to the Voluntary Cost Savings programs and provide interested employees with the 1991-1993 application form.
2. Participation in these voluntary cost savings programs is subject to the approval of the appointing authority, in accordance with the impact that participation will have on operational needs.
3. Agencies should respond to employee requests for participation in the Voluntary Cost Savings programs as soon as possible after applications are received and, to the extent that operational needs allow, try to meet each applicant's terms for participation.
4. Project employees, temporary (acting) employees and intermittent employees will not be eligible to participate in the Voluntary Cost Savings programs. Each of these types of employment is the result of a pre-determined operational need that precludes the possibility for approval for a reduced workweek or an unpaid leave of absence.
5. Formal Human Resource and position processing will be required for all approved applications except sporadic days off. See Attachment 1 for processing instructions.
6. Applications that are approved for participation in the Voluntary Cost Savings programs other than Sporadic days off must

be submitted to the Bureau of Human Resources with the MFASIS forms necessary to start this participation. See Attachment 1 for processing instructions.

7. In the event of a personal or financial hardship, applicants or participants may obtain the approval of the appointing authority to modify or cancel the terms of their approved participation.

8. If a participant is notified of layoff, participation in the voluntary cost savings program will be terminated and the appropriate layoff process will be observed.

VOLUNTARY PROGRAMS WORKSHEET GUIDELINES

1. Agencies must complete a savings estimation for each application received using the Voluntary Programs Worksheet (Per 106a, rev. 7/91). Savings must be calculated for applications that are denied as well as applications that are approved.

2. If the terms of participation are changed after the Worksheet has been submitted, agencies must submit a revised Worksheet to reflect the revised savings.

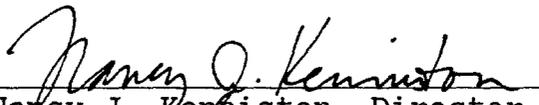
3. If an employee will be participating in more than one Voluntary Cost Savings program, a separate Worksheet will need to be completed for each program.

4. Submit completed Worksheets to the Bureau of Human Resources as applications are received, regardless of the program starting date. Retain a copy for department files.

ATTACHMENTS

Attachment 1 - Position and Human Resources Processing Instructions

Attachment 2 - Program Information


Nancy J. Kenniston, Director
BUREAU OF HUMAN RESOURCES

ATTACHMENT 1

POSITION PROCESSING INSTRUCTIONS

Reduced Workweek. Position Hours field codes to be used are "V" if hours are reduced from full-time to part-time and "P" if hours are reduced from part-time to lesser part-time.

Flexible Position Staffing. Alphabetical Position Number Suffix codes to be used are D (parent position), E and F instead of the standard S, A and B.

Unpaid Leave. Place a "5" in the Position Status Field

Sporadic days off. No change to position file is required.

HUMAN RESOURCES PROCESSING

Reduced Workweek

1. To start participation, submit a Position Add/Change Form and Position Detail Record (PDR) to the Bureau of Human Resources to reduce position hours. Attach the Application.

2. The Bureau of Human Resources will notify the department when this position change has been processed by the Bureau of the Budget. The department may then process a salary change as follows:

Screen

Codes

HOBUS

O - Voluntary Reduced Hours

UH1U1

G - Salary Change
Q - Voluntary Reduction to
Part-time

Comment: Hours reduced from X to Y
biweekly

Flexible Position Staffing

1. To start participation, submit Position/Add Change Forms and PDR's to the Bureau of Human Resources to change one target position to job share, using Codes D,E and F and to freeze the other target position for the duration of the job share arrangement. Attach the application(s).

2. The Bureau of Human Resources will notify the department when these position changes have been processed by the Bureau of the Budget. The department may then transfer the employees to the appropriate position numbers as follows:

Screen	Codes
HMHU1	45 - Internal Transfer
HOBUS	0 - Voluntary Reduced Hours
UH1U1	E - Transfer Q - Voluntary Reduction to Part-time T - Voluntary Job Share

Unpaid Leave

1. To start participation, submit Position Add/Change Form, PDR and Application to the Bureau of Human Resources to freeze the participant's position for the duration of the leave.

2. The Bureau of Human Resources will notify the department when the freeze action has been processed by the Bureau of the Budget. The department may then process the unpaid leave as follows:

Screen	Codes
HOBUS	0 - Voluntary Unpaid Leave
UH1U1	R - Voluntary Unpaid Leave

Sporadic Days Off

Submit application form and Voluntary Programs (Cost Savings) Worksheet to Bureau of Human Resources.

NOTE: Positions that are reduced in hours by participation in the Voluntary Cost Savings Program will be frozen at the reduced number of hours and positions that become vacant as the result of unpaid leave will be frozen for the duration of the leave period. However, positions may be restored to previous levels of funding and temporarily vacated positions may be filled if this is in the best interest of the agency and the agency can identify an alternative savings. Alternative savings must be approved by the Bureau of the Budget.

ATTACHMENT II

PROGRAM INFORMATION

Reduced Workweek

. Participants will be treated as part-time employees for purpose of retirement service credit. They will earn one full year of retirement service credit if they work on an average of 20 hours per week for a 50-week period per year. If the yearly average is less than this, credit will be earned on the basis of the number of days worked times 1.6, converted to years, months and days.

. Participants will accrue seniority on a pro-rated basis in accordance with the number of part-time hours in the reduced schedule and contractual agreements in effect.

. Participants will earn vacation and sick leave on a pro-rated basis in accordance with the number of part-time hours in the reduced schedule and contractual agreements in effect.

. Participants with permanent status will continue to be eligible for merit increase consideration on the Performance Review Date (Anniversary Date) in effect immediately prior to participation.

. For participants who are on probation and do not have an established anniversary date, the end of probation date and performance review date will be established in accordance with the practice for part-time employees.

. Participants will be compensated for holidays in accordance with the practice in effect for part-time employees.

Sporadic Leave Program

. Participants will be continued on the payroll **without any change to employment benefits**. Pay for days not worked during a payroll period as the result of participation in this program will be deducted from the check issued for that payroll period.

. Participants who take sporadic days off before or after a holiday will remain eligible for holiday pay.

Unpaid Leave

. If life insurance coverages are discontinued while on voluntary unpaid leave, only basic life insurance will be reinstated automatically when the participant returns from leave. Supplemental and dependent plans will not be reinstated without proof of insurability.

. Participants will not earn seniority while on voluntary unpaid leave.

. Participants in this voluntary cost savings program will not realize a break in service, but total service will remain as it was prior to participation and time on unpaid leave will not be credited to the length of service needed for an increase to the vacation accrual rate.

. Participants who take up to thirty days of unpaid leave from a full-time position, whether or not this unpaid leave is taken through participation in a voluntary cost savings program, will receive credit for one year of retirement service. If the total leave from a full-time position exceeds thirty (30) days, retirement service will be pro-rated in accordance with the rules and regulations of the Maine State Retirement System.

. Participants who take unpaid leave from a part-time position will be subject to the rules and regulations that govern the amount of retirement service that is granted for part-time employment.

. Participants with permanent status will continue to be eligible for merit increase consideration on the Performance Review Date (Anniversary Date) in effect immediately prior to participation.

. For participants who are on probation and do not have an established anniversary date, the end of probation date and performance review date will be extended by the amount of unpaid leave taken.

. Participants will be credited with longevity service for all time on voluntary unpaid leave.

. Time not worked as the result of participation in a voluntary cost savings program will result in a reduction to "average final compensation" for retirement pension purposes (applies to all programs.)

Flexible Position Staffing

Participants who stay on the payroll with reduced hours will be treated in the same manner as reduced work week participants. Participants who stay on the payroll with full time hours for part of the program and go off the payroll for part of the program will not realize any change to employment benefits while on the payroll and will be treated in the same manner as unpaid leave participants while off the payroll.