

DEPARTMENT OF ADMINISTRATIVE & FINANCIAL SERVICES
Bureau of Human Resources

June 24, 2011

HUMAN RESOURCES MEMORANDUM 2-11

TO: All Agency Heads, Agency Human Resource/EEO Representatives

SUBJECT: Voluntary Employee Incentive Programs (VEIP):
July 1, 2011 through June 30, 2013

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The Voluntary Employee Incentive Programs have been extended by the Legislature (Public Law 2011, Chapter 380, Part D) and are available for participation through June 30, 2013. Agencies must notify employees of this extension and distribute the program information provided in this memorandum to employees as soon as possible.

PROGRAM DEFINITIONS

See Attachment 1 for detailed processing information and Attachment 2 for detailed program information.

Reduced Workweek: Full-time employees may apply to their appointing authority to reduce their workweek to part-time, and part-time employees may apply to work fewer hours than the number of hours for which their part-time position is established.

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 biweekly pay period. *(NOTE: The same days off each week or pay period cannot be requested under this program. Requests for the same pattern of days off each week or pay period will be treated as reduced workweek.)*

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 between two (2) full-time employees who are qualified for appointment to that position.

HEALTH, DENTAL AND LIFE INSURANCE

Health and Dental Insurance: Participants in the Voluntary Employee Incentive Programs will not experience a reduction in health and dental insurance benefits. For participants who stay on the payroll (i.e. programs other than Unpaid Leave), 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. For participants who take Unpaid Leave, the State will make payments for the participant's coverage and the State's 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.

Life Insurance: Participants in the Voluntary Employee Incentive 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 (i.e. programs other than Unpaid Leave), 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 take Unpaid Leave may pay the premium cost required to continue their life insurance coverage, provided the required payment is made within thirty-one days of their last paycheck.

APPLICATION GUIDELINES

1. Employees must complete the PER 115 (2011-2013) dated 07/11. Note: The PER 115 is available on the Bureau of Human Resources homepage under "Forms." If a VEIP application form from a previous year is used for programs that start on or after July 1, 2011, please edit the old form to show the correct dates.
2. Participation in any of the Voluntary Employee Incentive Programs is subject to the approval of the appointing authority, in accordance with the impact that participation will have on operational needs.
3. Agencies must respond to employee requests for participation in the Voluntary Employee Incentive Programs as soon as possible after applications are received and, to the extent that operational needs and program requirements allow, try to meet each applicant's terms for participation.
4. Project employees, temporary (acting) employees, and intermittent employees are not eligible to participate in the Voluntary Employee Incentive 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.

5. Formal human resource and position processing actions are 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 Employee Incentive Programs other than Sporadic Days Off must be submitted to the Office of the State Controller with the MFASIS forms necessary to start this participation. See Attachment 1 for processing instructions.

CHANGE TO APPROVED PARTICIPATION DATES

1. In the event of a personal or financial hardship, applicants or participants may obtain the approval of the appointing authority to modify the dates of participation that were reported on their approved application.
2. If a participant is notified of layoff, that employee's participation must be terminated, and the employee must be provided all layoff rights and privileges.

VOLUNTARY PROGRAMS WORKSHEET GUIDELINES

1. Agencies must complete a savings estimation for each application received using the Voluntary Programs Worksheet, PER 108m. Savings must be calculated for VEIP applications that are either approved or denied. Note: Form PER 108m is available on the Bureau of Human Resources homepage under "Forms."
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 Employee Incentive Program, a separate worksheet will need to be completed for each program.
4. Submit completed worksheets to the Office of the State Controller as applications are received, regardless of the program starting date. Retain a copy for department files.

s/ Joyce A. Oreskovich

Joyce A. Oreskovich, Acting Director
Bureau of Human Resources

Attachment 1 - Processing Instructions
Attachment 2 - Program Information
PER 115 (7/11)
PER 108m (7/11)

**VOLUNTARY EMPLOYEE INCENTIVE PROGRAMS
JULY 1, 2011 – JUNE 30, 2013**

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.

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

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

Flexible Position Staffing. Alphabetical Position Number Suffix codes to be used are E and F instead of the standard A and B.

HUMAN RESOURCES PROCESSING

Reduced Workweek

1. To start participation, submit 1 Position Detail Record, 1 Application Form, and 1 Worksheet for each position to the Office of the State Controller to reduce position hours.
2. The Bureau of the Budget will notify the department when this position change has been processed. The department may then process a salary change as follows:

Screen	Codes
H0BU5	O - Voluntary Reduced Hours
UH1U1	G - Salary Change Q - Voluntary Reduction to Part-time Comment: Hours reduced from ____ to ____ biweekly

Sporadic Days Off

Submit 1 Application Form and 1 Worksheet to the Office of the State Controller.

Unpaid Leave

1. To start participation, submit 1 Position Detail Record, 1 Application Form, and 1 Worksheet to the Office of the State Controller to freeze the participant's position for the duration of the leave.

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

Screen	Codes
H0BU6	O - Voluntary Unpaid Leave
UH1U1	R - Voluntary Unpaid Leave

Flexible Position Staffing

1. To start participation, submit 1 Position Detail Record, 1 Application Form, and 1 Worksheet for each position to the Office of the State Controller to change one target position to job share (using Codes E and F) and to freeze the other target position for the duration of the job share arrangement.
2. The Bureau of the Budget will notify the department when these position changes have been processed. The department may then transfer the employees to the appropriate position numbers as follows:

Screen	Codes
HMHU1	45 - Internal Transfer
H0BU5	O - Voluntary Reduced Hours
UH1U1	E - Transfer
	Q - Voluntary Reduction to Part-time
	T - Voluntary Job Share

NOTE: Positions that are reduced in hours by participation in the Voluntary Employee Incentive Programs 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.

**VOLUNTARY EMPLOYEE INCENTIVE PROGRAMS
JULY 1, 2011 – JUNE 30, 2013**

PROGRAM INFORMATION

Reduced Workweek

- Participants will be treated as part-time employees and will receive retirement service credit in accordance with the retirement system plan in effect for their reduced position. **Participants must contact the Retirement System for information concerning the service credits that will be provided while in the reduced position.**
- Participants will accrue seniority based on authorized hours prior to participation in a Reduced Workweek.
- 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.
- Performance Review Dates (Anniversary Dates) will not be affected by participation in this program.
- 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 will accrue seniority based on authorized hours prior to participation in a sporadic leave.
- Participants who take sporadic days off before or after a holiday (*but not both*) will remain eligible for holiday pay.

Unpaid Leave

- If life insurance coverage is discontinued while on voluntary unpaid leave, only basic life insurance will be restored automatically when the participant returns from leave. Supplemental and dependent plans will not be restored without proof of insurability.
- Participants will not earn seniority while on voluntary unpaid leave.
- Participants in this Voluntary Employee Incentive 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. ***(The time on Unpaid Leave must be added to the adjusted service date when participation ends).***
- 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 the Voluntary Employee Incentive Programs, receive credit for one year of retirement service. However, if the total leave from a full-time position exceeds thirty (30) days in one year, retirement service is pro-rated in accordance with the rules and regulations of the Maine Public Employees Retirement System.
- Participants who take Unpaid Leave from a part-time position must contact the Retirement System to determine the service credit that will be provided.
- Performance Review Dates (Anniversary Dates) will not be affected by participation in this program.
- Participants who are on probation and do not have an established anniversary date will have their end of probation and performance review dates extended by the amount of Unpaid Leave taken.
- Participants will be credited with longevity service for all time on voluntary unpaid leave.

Flexible Position Staffing

Participants who stay on the payroll with reduced hours will be treated in the same manner as Reduced Workweek 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.

2011 - 2013 Application

Voluntary Employee Incentive Programs (available for participation through June 30, 2013)

Part 1. To be completed by employee. (If you wish to participate in more than one program, use a separate application for each program.)

Name	Social Security	Job Title
Home Address (City, State, Zip)	Department: Bureau/Institute: State House Station #:	
Home Phone	Work Phone	

INSTRUCTIONS

1. Complete the section of this application for the program you are interested in. Be sure to include all dates and work hours. Direct your questions to your Department's Personnel office.
2. Sign and date your application in the space provided at the end of Part 1.
3. Submit this application to your supervisor.

REDUCED WORKWEEK (Definition: Current workweek schedule reduced to provide fewer hours)

- ☐ I would like to reduce my current workweek from _____ hours weekly to _____ hours for the calendar period starting _____ and ending _____.

SPORADIC LEAVE

- ☐ I would like to participate in this program from _____ to _____ and during this period, I plan to take _____ days of leave without pay.

(Note: Days must be taken in whole work days. The same days off or pattern of days off each week or pay period cannot be requested under this program. Requests for the same pattern of days off each week or pay period will be treated as reduced workweek. Sporadic Leave days may be consecutive, up to a maximum of 5 days per pay period. Specific days off must be pre-approved by the supervisor involved.)

UNPAID LEAVE (Definition: Unpaid leave for more than one week.)

- ☐ I would like to be placed on unpaid leave from _____ to _____.

FLEXIBLE POSITION STAFFING (Definition: A single full-time position held by two full-time employees so that each works 20 hours or the equivalent of 20 hours per week.) (Note: Each employee must complete an application for this program and both applications must be processed together.)

- ☐ I and _____ would like to share the full-time position held by _____.
The full-time hours of this position will be shared from _____ to _____ as follows.

- ☐ Position to be shared by each working 20 hours per week.

- ☐ Other arrangements as follows: _____

EMPLOYEE SIGNATURE	
Signature	Date
Important: Submit this signed application to your supervisor.	

Part 2. To be completed by employee's supervisor and then forwarded to the departmental personnel officer.

APPROVALS	
☐ I recommend approval of this action.	
☐ I am unable to recommend this request because _____ _____	
☐ I recommend the employee's request be modified as follows: _____ _____	
Signature	Date

Part 3. To be completed by appointing authority or designee..

☐ The employee's request is approved as submitted.	
☐ The employee's request is disapproved because _____ _____	
☐ The employee's request has been modified and approved as follows: _____ _____ _____	
Signature	Date

2011 - 2013

Voluntary Employee Incentive Programs Worksheet

EMPLOYEE IDENTIFICATION		PART 1	
Employee Name		Employee Number	
Department Name		Company Number	
Job Class Title	Job Class Code	Position Number	

PROGRAM IDENTIFICATION		PART 2	
☐ Reduced Work Week ☐ Sporadic Leave ☐ Unpaid Leave ☐ Flexible Position Staffing			
Begin Date		End Date	Duration in Hours

PERSONAL SERVICES SAVINGS		PART 3			
MFASIS ACCOUNT # _____ ACCOUNT NAME _____					
C & O Code	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total
TOTALS					

APPROVALS		PART 4	
☐ Approved as Submitted by the Employee ☐ Modified ☐ Denied			
Prepared By:		Date:	

READ THE INSTRUCTIONS ON BACK

INSTRUCTIONS

Complete one of these worksheets for each Application you receive for Voluntary Programs. If an employee has applied for more than one program, complete a worksheet for each program. Complete a worksheet for every Application, whether the request is approved or denied. Should the terms of an individual's participation be changed after initial approval, submit a revised worksheet. Submit one copy to the Office of the State Controller and keep one copy for your records.

Part 1 This part should be self-explanatory.

Part 2 Check the one box for the program you are identifying. The Begin Date and the End Date are the dates the employee has requested - unless the request has been modified. If modified, enter the modified date.

Part 3 Enter the actual C&O affected by each position. C&O should be at the same four (4) significant digits used in the Work Program.

Enter the net dollar savings by C&O for each quarter as positive amounts in whole dollars. In calculating this figure, consider each compensation and benefit type affected that relates to a personal services C&O. Subtract any related costs from the projected savings to reach an accurate net savings figure. If a revised worksheet submission will reduce savings, include the net dollar cost of the change as a negative amount \$ (\$\$\$\$) by C&O for each quarter.

Calculate the compensation and benefit savings as follows:

1. Use the current Salary Schedule for the position (used to produce your personal services budget for the current fiscal year).
2. Use the employer retirement rates used to produce the personal services work programs for the current fiscal year and any subsequent changes in employer retirement rates.

Savings in a General Fund account will be removed by financial order from the resources available to the account. Worksheet revisions that reduce savings are not expected to result in financial orders to restore allotment in the affected accounts. However, if such a worksheet revision is anticipated to have a serious financial problem for the balance of the fiscal year, please contact the Bureau of the Budget for assistance.

Part 4 Submit this form to: Office of the State Controller
#14 State House Station