

SECTION 12: LEAVE ACCOUNTING

Floating Holiday

INTRODUCTION

A floating holiday is a contractual entitlement for which a leave-eligible employee receives a day of annual or personal leave. The number of hours posted equals a day of leave based on the bargaining unit standard workday and the employee's work schedule. Floating holidays for part-time employees, working less than 37.5 hours a week, must be prorated.

Floating holidays are automatically posted for employees who have an active HOL control record established on the A2x Accrual Control screen and are in the bargaining unit eligible to receive the holiday hours. Floating holiday eligibility rules vary by bargaining unit.

The hours posted to leave accounts can be cashed in or used as leave. Some collective bargaining contracts allow floating holiday hours to be used at any time on or after the date credited. Other collective bargaining contracts specify hours are only available for use after the holiday leave is posted at the end of the pay period in which the holiday occurs. Employees who are not eligible to take other types of leave because they have not yet reached their leave eligibility date may use the holiday leave hours prior to eligibility.

Refer to the appropriate collective bargaining agreement to determine an employee's floating holiday entitlement and leave use language.

PROCEDURES

A. Set up the A2 Accrual Control Holiday Record for a Full Time Employee (refer to section E for rehires)

For leave-eligible employees in a bargaining unit entitled to a floating holiday, access the A23 – Accrual Control screen in AKPAY and set up a holiday accrual control record:

1. **DOC NUM** - Assigned number.
2. **ACCRUAL CODE** - **HOL** (Holiday).
3. **EFF DATE** - Appointment date entered MMDDYYYY.

NOTE: If an employee is appointed during a pay period in which a floating holiday occurs and they are not eligible for the holiday, the EFF DATE should be the first of the next pay period.

4. **STATUS** - **T** (Accrual will be derived from AKPAY tables).
5. **BASE DATE** - Same as the Effective Date entered MMDDYYYY.

NOTE: If an employee is appointed during a pay period in which a floating holiday occurs and they are not eligible for the holiday, the EFF DATE should be the first of the next pay period.

B. Set up the A2 Accrual Control Holiday Record for a Part-time Employee – Set Schedule

Leave eligible part-time employees entitled to a floating holiday who work a regular set schedule should have their floating holiday accrual prorated by entering a partial percentage A2x record to control the amount of hours posted. Entering a percentage will reduce the accrual posted to the employee's account.

NOTE: Flat amount hours can not be entered in the RATE field as the function does not work for the HOL record only.

Partial Percentage Example: An employee who receives 80% of the normal salary and receives an 80% accrual and holiday:

1. **DOC NUM** - Assigned number.
2. **ACCRUAL CODE** - **HOL** (Holiday).
3. **EFF DATE** - Appointment date entered MMDDYYYY.

NOTE: If an employee is appointed during a pay period in which a floating holiday occurs and they are not eligible for the holiday, the EFF DATE should be the first day of the next pay period.

4. **STATUS** - **T** (Accrual will be derived from AKPAY tables).
5. **BASE DATE** - Same as the Effective Date entered MMDDYYYY.

NOTE: If an employee is appointed during a pay period in which a floating holiday occurs and they are not eligible for the holiday, the BASE DATE should be the first day of the next pay period.

6. **PARTIAL PCT** – 80.0 or applicable percentage number.

C. Part-Time Employees Working Sporadic Hours

Employees who do not work a set schedule will need an E965 off-set added to their payroll batch to reduce the hours posted for the floating holiday. The system will post the full 7.5 hours making it necessary to calculate the hours awarded based on the hours in pay status and reduce the holiday accrual. Enter a line of E965, with a line date of the first day of the pay period and negative hours.

Example:

The employee works 27.0 hours and is on leave for 10.0 hours in an 82.5 hour pay period and has a regular partial holiday of 3.75 hours. The floating holiday accrual is calculated as: $40.75/82.5 = .49 \times 7.5 = 3.68$ hours. Per AAM 290.060, partial floating holiday accruals should be rounded to the nearest quarter hour. The hours to reduce the holiday accrual are: $7.5 - 3.75 = 3.75$

07/01/xx	E100	27.0
07/04/xx	E105	3.75
07/04/xx	E165	10.0
07/01/xx	E965	-3.75

D. Inactivate Holiday Records for Employees Not Eligible for Leave

Employees who are not eligible for leave should not have an active HOL accrual record on the A2 screen. When re-hiring an employee in a non-leave eligible position and an active record already exists, refresh the existing effective date and change the status to **N** (no accrual) to inactivate it. An active HOL record for a non-leave accruing employee will cause an R2 error on the leave file.

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E. Eligibility

Generally, an active employee in a leave accruing, participating bargaining unit is eligible to receive a floating holiday. Contracts specify the employee must be in pay status on the day the floating holiday is posted.

Other contracts specify an employee is not compensated for a floating holiday while on leave-without-pay (LWOP). If an employee is in LWOP the entire day before or after the floating holiday, the employee is not entitled to the holiday, unless the employee actually works on the day of the holiday.

Some collective bargaining contracts allow floating holiday hours to be used at any time on or after the date credited. Other collective bargaining contracts specify hours are only available for use after the holiday leave is posted at the end of the pay period in which the holiday occurs.

Refer to the appropriate collective bargaining agreement to determine an employee's floating holiday entitlement and leave use language.

New hires are eligible if they are appointed and in pay status on the designated floating holiday. Employees who have not yet reached their leave eligibility date may use the floating holiday hours posted to personal leave prior to their eligibility date. The leave code to use during the waiting period is E166 (personal leave).

Appointments – A new appointment effective after the date of the floating holiday is not eligible for the holiday. If the effective date of the HOL record on the A2x screen is after the date of the holiday, the holiday will not post making it unnecessary to enter an E965 to delete the hours.

Re-Hire - If an appointment effective after the date of the floating holiday is a re-hire with an existing HOL record, the effective date and base date of the *existing* HOL record should be changed to the appointment date. However, if the employee is appointed during a pay period in which a floating holiday occurs and they are not eligible for the holiday, the EFF DATE and BASE DATE should be the first day of the next pay period. This will prevent a holiday from posting. GGU re-hires appointed to GP who were previously in GG, will need the effective date and base date of the HOL record changed to the appointment date in order for AKPAY to post personal leave hours instead of annual leave.

Separating employees are eligible for a floating holiday if they worked on or after the date of the holiday and meet eligibility requirements. An employee separating on the holiday is eligible for the holiday if they are in pay status on the holiday. See Step H below for paying a holiday not yet posted in AKPAY.

Seasonal employees returning from SLWOP on the day of the floating holiday are eligible for the holiday if they are in pay status on the holiday and the day immediately following.

Employees going to SLWOP the day after the floating holiday is posted (10 screen date) are eligible for the holiday if they are in pay status on the floating holiday.

F. Leave Processing

AKPAY does not have the programming capability to post floating holiday leave in accordance with contractual language. The floating holiday will post and be available for use at the beginning of the pay period in which a floating holiday occurs regardless of the actual day of the floating holiday. Manual tracking and adjustments may be required to ensure leave is posted and used correctly. Floating holiday leave should be available for use only on or after the actual date of the floating holiday or until the following pay period, according to collective bargaining contracts.

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Leave use codes and leave adjustments entered in production batches with a floating holiday will process in the following order:

- Line date order first: An E965 dated prior to an E165 will process first.
- Code order second: An E965 dated the same date as an E165 will process second.

Partial LWOP – Eligible for Holiday. An employee eligible for the holiday, but defaulting to partial LWOP prior to the holiday, should have the leave and LWOP hard coded in the payroll batch. This will prevent the holiday hours from being used and the employee being overpaid.

Example:

B2 leave balance = 5.0 hours

Floating Holiday is 7/2

Employee is on leave 7/01 for 7.5 hours and is eligible for the floating holiday.

Payroll batch line entries for 7/01 are:

7/01/xx E165 5.0

7/01/xx E953 2.5

The holiday hours will post but are not eligible for use. The 5.0 hours E165 personal leave will use the hours on the B2 screen and the remainder of the leave use will post to E953 LWOP.

Partial LWOP – Not Eligible for Holiday. An employee in partial LWOP for the pay period and not eligible for the floating holiday must have the line dates for leave taken entered carefully. Leave taken on the first day of a pay period where the employee is not eligible for a floating holiday should be line dated after the line date of the E960/965 that is deleting the holiday.

Example:

B2 leave balance = 5.0 hours

Floating Holiday is 7/10.

Employee is on leave 7/06-10 for 22.5 hours and is not eligible for the floating holiday on the 10th due to LWOP.

Payroll batch line entries for 7/01 are:

7/01/xx E965 -7.5

7/10/xx E165 22.5

The holiday will post at the beginning of the pay period. The E965 leave adjustment with a 7/1/xx line date will process first and delete the holiday hours. Then the E165 personal leave will process and pay only the 5.0 hours available on the B2 screen.

Full LWOP: All hours should be hard coded to the appropriate LWOP code(s): E953/E961/E954/E963 for an employee in full LWOP. Do NOT enter a 100-level leave use code anticipating a default to LWOP. Entering all LWOP will prevent the holiday from posting. Do NOT enter a line of E960/965 to delete the holiday accrual.

G. Delete Floating Holiday Hours for an Employee Not Eligible Due to LWOP

An employee in full LWOP the day before or the day after a floating holiday is not eligible to receive the holiday unless they are in pay status on the day of the floating holiday. See applicable paragraphs below.

To delete a floating holiday, enter the line date of the first day of the pay period with E960/965 and negative hours for the number of the hours being posted in the production RD pay batch. This will delete the hours being posted.

Unauthorized LWOP (E954). A floating holiday will not automatically post if the employee has any amount of E954 in the pay batch. Having E954 in a pay period does not itself make the employee ineligible for the holiday. Normal holiday eligibility rules still apply. If the employee has an active HOL record on the A2 screen, the floating holiday will attempt to post and be blocked by the E954 code, causing an R2 Segment file error. Division of Finance (DOF) will need to correct the file and programmatically add the hours to the B2 screen balance. DOF will contact the appropriate payroll group to determine if the employee is eligible for the holiday.

H. Employees Going To and From SLWOP in a Pay Period With a Floating Holiday

The floating holiday will automatically post at the beginning of the pay process. Employees going to SLWOP prior to the floating holiday date are not eligible for the holiday and will need a leave adjustment to process with their final pay batch processing through production. Enter a line date of the first day of the pay period with E960/965 and negative hours to delete the holiday.

Employees returning from SLWOP prior to the date of the designated holiday will automatically have a holiday posted. If the employee is eligible for the holiday, no action is necessary. If they are not eligible, enter a line date of the first day of the pay period with E960/965 and negative hours to delete the holiday.

Those employees returning after the date of the holiday are not eligible for the floating holiday, however, the holiday hours will automatically post. An adjustment will need to be processed to delete the hours.

I. Pay Out the Floating Holiday for a Separating Employee

Employees who separate in the same pay period a floating holiday is posted may be eligible for a leave payout for the floating holiday. Terminal leave pay should include the floating holiday leave if the employee worked on or after the date of the holiday.

Example 1: An employee separated 07/15 and the final online warrant for pay and leave is not paid before PP14 payroll processes. As there is no pay for PP14 production, post the holiday hours manually in PP14 in an adjustment batch with an E960/965. After payroll processes, pay the employee the floating holiday hours with an E404/405 along with the rest of the leave balance on the B2 screen.

Example 2: An employee separated 07/20 and is paid by online warrant for pay and leave prior to PP14 and processing of the floating holiday. On the online, pay the floating holiday with an E403 along with the partial leave accrual. Add the holiday hours to the regular E965/960 and E403/404/405 clean-up adjustment batch to process in PP14.

Separations for employee who are not yet leave eligible are eligible to have the floating holiday paid out as terminal leave. The employee can use the hours posted from the holiday as time off from work prior to leave eligibility.

J. Exception Report

The Exception (E) Report may show a warning message, PY0918 NO EARNINGS FOR EE/NO HOLIDAY. This message indicates the system is trying to post a holiday but there are no earnings being processed through production payroll so the holiday cannot post. Reasons include: the pay batch is not certified, the employee is in full LWOP, or the batch has been deleted because it will be paid with an online warrant. The warning message, PT0923 ACCRUAL REJECTED-BAD A2 STATUS, will occur for an employee in a non-leave eligible position with an active HOL record on the A2 screen, but the PER record is inactive.

Research the employee's payroll screens to determine if necessary action is needed.

CONCLUSION

When appointing an employee to state service, consult the employee's collective bargaining contract to determine if a HOL control record is needed on the A2 screen. Monitor an employee's pay batch at the time the floating holiday is posted to determine eligibility and appropriate entries.