



KATHLEEN BABINEAUX BLANCO
LIEUTENANT GOVERNOR

State of Louisiana
OFFICE OF THE LIEUTENANT GOVERNOR
DEPARTMENT OF CULTURE, RECREATION & TOURISM
MANAGEMENT AND FINANCE

PHILLIP J. JONES
SECRETARY

MATTHEW A. JONES
UNDERSECRETARY

HUMAN RESOURCES MEMORANDUM NO. 03-098

November 10, 2003

TO: Lt. Governor, Secretary, Undersecretary, Assistant Secretaries, Deputy Assistant Secretaries, Program Managers

FROM: Mary F. Ginn
Human Resources Director

SUBJECT: The Benefits of Earning Leave

One of our most powerful benefits is the earning of annual and sick leave. Managers and supervisors often explain leave-earning benefits to job applicants as a recruitment tool. New employees learn more about leave earning during New Hire Orientation. But what happens after that? We earn leave and we use leave and we often do not give it much thought. Here are some things to consider about earning leave.

The rate of leave earning goes up according to an employee's years of service:

Service Time	Hrs. Earned Per 80 Hr. Pay Period	Days Earned/Year Annual Leave	Days Earned/Year Sick Leave	Total Earned Per Year
1-3 Years	3.6880	12 Days	12 Days	24 Days
3 Years	4.6080	15 Days	15 Days	30 Days
5 Years	5.5360	18 Days	18 Days	36 Days
10 Years	6.4560	21 Days	21 Days	42 Days
15+ Years	7.3840	24 Days	24 Days	48 Days

Did you know that your leave has a dollar value when you end employment with the state? Whether you are resigning or retiring, the state will pay you at your current hourly rate for up to 300 hours of annual leave. You can even avoid paying taxes on this payment at termination (when your tax bracket is probably at its highest) by rolling your annual leave into your Deferred Compensation account.

Any remaining leave that you have after the payment of the first 300 hours of annual leave has a value too. If you are leaving state service (not through retirement), your remaining annual and sick leave will remain on the books for five years. If you become re-employed with the state, those balances can be reinstated.

November 10, 2003

Page 2

When you retire from the state, you have two options for your remaining annual and sick leave. You can apply the balances toward retirement credit (different retirement systems have different ways of calculating), or you can cash it out at a reduced rate. Either way, you would be surprised what a difference it can make in your retirement benefit over the long run or in an immediate cash benefit in the short run. The dollar value is substantial and one that must be considered.

As state employees, our leave earning benefit is among the best anywhere. We hope that the information contained in this memo will help to renew your appreciation of this valuable asset. If you have any questions, please call the Human Resources Office at (225) 342-0880.