

**The University of Wisconsin System  
UPS OPERATIONAL POLICY: TR 3**



**SUBJECT:** Voluntary Reassignment of Formerly Classified FLSA Exempt Employees to Academic Staff/Limited Appointment Positions

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**Original Issuance Date:** July 1, 2015  
**Last Revision Date:**

**1. POLICY PURPOSE:**

The purpose of this policy is to provide the necessary information formerly classified Fair Labor Standards Act (FLSA) exempt staff need to make an informed decision regarding whether to accept a voluntary reassignment to a position that the institution has designated as either an academic staff or limited appointment position.

**2. POLICY BACKGROUND:**

The University Personnel System (UPS) created under [Wis. Stat. § 36.115](#) is comprised of five employee categories: faculty, academic staff, university staff, limited appointees, student assistants/ employees-in-training. Faculty, academic staff and limited appointee positions are exempt from the overtime provisions of the Fair Labor Standards Act (FLSA) and university staff positions are FLSA nonexempt.

Incumbents in permanent status holding FLSA exempt classified positions as of June 30, 2015, will be given the opportunity to choose to have their positions voluntarily reassigned to a position designated as either an academic staff or a limited appointment position, or remain in university staff in a position that continues to be defined as a FLSA exempt position for as long as he or she holds the position. Benefits leave accruals, job security, and other employment conditions will be based on the employee category for the reassigned position. After a position incumbent accepts a voluntary reassignment as defined in this policy, there will not be an opportunity to return to university staff service in the same position.

**3. POLICY DEFINITIONS:**

Please see UPS Operational Policy [GEN 0: General Terms and Definitions](#) for a list of general terms and definitions.

**Definitions specific to this policy:**

“Incumbent employee,” as referred to in this Policy, means any employee with permanent status holding a classified FLSA exempt position on June 30, 2015.

#### **4. POLICY:**

##### **A. Eligibility for Voluntary Reassignment**

Employees with permanent status in classified FLSA exempt positions on June 30, 2015, will have the choice to remain in university staff FLSA exempt positions for as long as they hold those positions, or to have their positions voluntarily reassigned to either academic staff or limited appointments as designated by the institutions. Appointment terms for an academic staff or limited appointment will be determined by each institution's policies.

University staff exempt employees who are serving their original probation as of July 1, 2015, will be eligible for voluntary reassignment upon successful completion of the probation period.

Project employees, rehired annuitants, and temporary university staff are not eligible to have their positions voluntarily reassigned to either an academic staff or limited appointment position.

##### **B. Voluntary Reassignment Process**

Each incumbent employee must receive all necessary information from the employing UW institution in order to be fully educated on all potential ramifications of choosing to have the position voluntarily reassigned to an academic staff or limited appointment position. The information given to each affected employee must include at a minimum:

- Compensation ramifications, including eligibility for overtime payment;
- Differences in paid leave accruals, including vacation and sick leave accrual;
- Differences in ability to bank and accumulate any paid leave;
- Differences in Wisconsin Retirement System (WRS) designations;
- Differences in employee paid benefit programs (e.g., income continuation, life insurance);
- Differences in appointment terms and job security; and
- Differences in eligibility to participate in collective bargaining.

An incumbent employee choosing to have his/her position voluntarily reassigned to the academic staff or to a limited appointment must declare his/her intention to do so in writing.

The effective date of the voluntary reassignment will be the first of the month following the employee's written voluntary reassignment request.

The type of appointment to which the position will be voluntarily reassigned will be determined by the employing UW System institution. After an incumbent employee accepts a voluntary reassignment as defined in this policy, there will not be an opportunity to return to university staff service in the same position. Once an incumbent chooses to voluntarily reassign to an academic staff or limited appointment position, the employee will no longer have the option to hold a university staff position that is exempt from FLSA.

### C. Impact of Voluntary Reassignment on Employee Benefits

On the effective date of the reassignment, the employee will be subject to all leave and insurance benefits available to academic staff or limited employees. The employee will not be grandfathered under any university staff leave or benefit policies.

#### (1) Sick Leave

- (a) All accrued sick leave will be transferred to the academic staff or limited appointment.
- (b) The employee will receive an 18-month sick leave initial entitlement per [UPS Operational Policy BN 3: Sick Leave](#).
- (c) Previously accrued sick leave and sick leave granted under initial entitlement (IE) is immediately available for use.
- (d) If an employee retires during the 18-month initial entitlement period, the entire amount of the initial entitlement will not be available for sick leave credit conversion. The number of sick leave hours available for conversion will be equivalent to what the employee would have earned if not in the initial entitlement period.

**Example:** Full-time, annual basis employee; IE starts January 1 and employee retires July 1 – retires 6 months into IE period. Employee would have earned 48 hours of sick leave during this period if not in IE (6 months x 8 hours of sick leave/month). 48 hours of sick leave available for conversion (as well as any hours earned prior to the Initial Entitlement).

#### (2) Vacation, Vacation Carryover and Banked Vacation

- (a) The employee will earn 176 hours of vacation per fiscal year (pro-rated if part-time). The number of hours of vacation earned in the year of reassignment will be pro-rated based on the effective date of the reassignment.
- (b) Any vacation accrued in the university staff appointment during the year of reassignment will be transferred to the current fiscal year's vacation allocation in the academic staff or limited appointment.

The amount of vacation that transferred from the university staff appointment plus the new vacation allocation cannot exceed 176 hours. If it is greater than 176 hours, any remaining vacation hours will be moved to vacation carryover and must be used by the end of the fiscal year (June 30) that the leave transferred to the new appointment, or the hours will be lost.

- (c) Any vacation carryover from the university staff appointment that was earned in the calendar year prior to reassignment will be treated in the same manner as (b) above. It will first be credited to the current fiscal year's vacation until the 176-hour limit is reached and any remaining carryover will be moved to vacation carryover and must be used by the end of the fiscal year (June 30) that the leave transferred to the new appointment, or the hours will be lost.

- (d) The number of hours in vacation carryover may not exceed 176. If the number of hours that need to be moved to vacation carryover is greater than 176 hours, any remaining vacation will be paid out to the employee.
- (e) Any banked vacation (classified sabbatical), will be transferred to the banked vacation account (annual leave reserve account) of the academic staff or limited appointment, even if the employee is not eligible to bank paid leave as an academic staff or limited employee.

**(3) Personal Holiday**

- (a) If the reassignment is effective at any time from July 1 to January 1, the employee will receive 36 hours of personal holiday (prorated if part-time).

Any remaining personal holiday from the university staff appointment must be paid out to the employee.

- (b) If the reassignment is effective at any time from January 2 to June 30, the employee will not receive additional personal holiday hours until the beginning of the next fiscal year (July 1).

Any remaining personal holiday from the university staff appointment will be transferred to the new appointment and must be used by June 30 following the date of reassignment, or it will be lost.

**(4) Wisconsin Retirement System**

The employee will be covered by the Teacher WRS category as of the effective date of the reassignment and earnings and service will be reported on a fiscal year basis.

**(5) Income Continuation Insurance**

If the employee is enrolled in Income Continuation Insurance (ICI), the employee must complete a new ICI application and select an elimination period within 30 days of reassignment.

If the employee is not enrolled in ICI, the employee may have an opportunity to enroll in coverage within 30 days of the reassignment. See [Section 208 of the ICI administrative manual](#) for detailed information.

**(6) Employer Contribution Towards Health Insurance**

If the reassignment occurs within the first two months of an employee's state service, the employee is eligible for the employer contribution towards health insurance on the first of the month on or following the date of reassignment.

**5. RELATED DOCUMENTS:**

Wis. Stat. § [36.115, Personnel systems](#)

[UPS Operational Policy BN 1: Vacation, Paid Leave Banks, and Vacation Cash-Outs](#)

[UPS Operational Policy BN 2: Personal Holiday & Legal Holiday Administration](#)

[UPS Operational Policy BN 3: Sick Leave](#)

[UPS Operational Policy HR 4: FLSA Designation](#)

**6. POLICY HISTORY:**

Reviewed by the Board of Regents, December 7, 2012