

Chapter: Suspension and Separation	Effective Date: 1/1/15
Title: Exit Process	Page: 1 of 8
ACA: N/A	Replaces: PRS.11.01, 12/1/13
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(a) **Policy.**

The Texas Juvenile Justice Department's (TJJD's) employment exit process:

- (1) informs separating employees of their responsibility to return state resources;
- (2) provides separating employees with information regarding final pay and various benefits, including disposition of leave balances; and
- (3) allows separating employees to provide candid feedback about their TJJD employment and the reason for separation.

(b) **Applicability.**

This policy applies to all employees who separate from employment for any reason other than death. If death causes separation, see [PRS.11.05](#).

(c) **Additional Resources.**

- (1) [PRS.05.23 \(Recruitment Bonus\)](#) – This policy addresses the refund of a recruitment bonus received by an employee who separates from employment before completing 12 months of service.
- (2) [PRS.19.25 \(Educational Assistance Program\)](#) – This policy addresses the refund of tuition reimbursement received by an employee who separates from employment before completing his/her continued service obligation.

(d) **Definitions.**

Except as noted below, see the [PRS Glossary](#) for definitions of certain terms used in this policy.

- (1) **Inter-Agency Transfer** – For purposes of this policy, a transfer to another state employer.
- (2) **State Employer** – A state agency or a state institution of higher education.
- (3) **Voluntary Separation** – When an employee decides to end employment of his/her own accord. Excludes separations of employment resulting from administrative separation, reduction in force, termination at will, resignation in lieu of disciplinary termination, or disciplinary termination.

(e) **Minimum Notice of Voluntary Separation.**

An employee who is voluntarily separating from employment should notify his/her supervisor or the Human Resources office at least two weeks before the employee's [last duty day](#).

(f) **Supervisor's Responsibilities.**

The supervisor of a separating employee must:

- (1) notify the appropriate Human Resources office as soon as possible after becoming aware of the [employment separation](#) and, if known, the employee's last duty day;

Note: Notifying the Human Resources office as soon as possible helps the agency avoid overpayment of wages to separated employees.

- (2) obtain a date and time from the Human Resources office for the employee to participate in an in-person exit process or notify the Human Resources office that the employee is not available to participate in person; and
- (3) review and approve the employee's final timecards.

(g) Meeting with HRA or Designee.

After learning of an employee's pending employment separation, the appropriate human resources administrator (HRA) or designee meets with the employee, if feasible, to review the:

- (1) employee's leave balances and eligibility to remain on payroll until the end of the month;

Note: The HRA or designee immediately notifies the appropriate payroll accountant in the Austin Office if the employee's [payroll termination date](#) will occur before the end of the month in which his/her last duty day occurs (e.g., the employee does not have sufficient leave balances to remain on payroll until the end of the month);

- (2) Human Resources Audit Checklist for Employee Exit Process form, [HR-063](#);
- (3) Employee Exit Packet, [HR-065](#);
- (4) State of Texas Employee Exit Survey Instructions, [HR-068](#) (only if the separation is a voluntary separation); and
- (5) TJJJD Exit Questionnaire, [HR-067](#).

Note: The HRA or designee mails the above-listed documents to the employee if it is not feasible for a meeting to occur before his/her last duty day (e.g., employee is in an unpaid leave status and does not return to the work location).

(h) Leave Benefits.

(1) General Provisions.

- (A) The HRA, the appropriate payroll accountant in the Austin Office, and, if applicable, the local facility business coordinator or his/her designee coordinate efforts to determine the employee's payroll termination date and payable leave balances.
- (B) A separating employee receives payment for any [overtime](#) balances remaining after the payroll termination date.
- (C) Separating employees do **not** receive payment for unused holiday, compensatory, administrative, or sick leave remaining after the payroll termination date.

Note: If an employee dies, his/her estate is paid for a portion of the employee's unused sick leave. (See [PRS.11.05](#).)

- (D) If an employee is allowed and chooses to remain on the payroll and use leave past his/her last duty day, the following provisions apply until his/her payroll termination date:
 - (i) The employee is entitled to receive all compensation and benefits he/she was receiving on the last duty day, including:
 - (I) paid holidays;
 - (II) paid leave for jury duty;

- (III) longevity and/or hazardous duty pay;
- (IV) insurance benefits (in accordance with rules governing the Group Benefits Program); and
- (V) a general salary increase for state employees that takes effect before the employee's payroll termination date.

Note: A general salary increase includes a legislatively-authorized, across-the-board or targeted pay raise or an increase in pay resulting from a reallocation of the employee's job class. It does not include a juvenile correctional officer career ladder or other career path adjustment.

- (ii) The employee does not accrue and may not use sick leave.
 - (iii) The employee does not accrue vacation leave.
- (E) A separating employee may donate all or part of his/her available sick leave to the sick leave pool. See [PRS.28.08](#).

(2) **Separation for Reasons Other Than Retirement, Inter-Agency Transfer, or Reduction in Force.**

Unless stated otherwise in this policy, the provisions in this section apply to employees who separate employment for reasons **other than** inter-agency transfer, retirement, or reduction in force (e.g., resigning to accept employment in the private sector).

(A) **Holiday, Compensatory, and Administrative Leave.**

An employee may remain on payroll after his/her last duty day to exhaust available holiday, compensatory, and administrative leave accrued during the 12 months before the employee's last duty day.

- (i) This provision applies even if exhausting the leave results in the employee remaining on payroll into the next month.
- (ii) Any holiday, compensatory, or administrative leave accrued before this 12-month period lapses.

(B) **Lump-Sum Payments for Vacation Leave.**

- (i) An employee is entitled to a lump-sum payment for available vacation leave remaining after his/her payroll termination date if he/she:
 - (I) accrued at least six months of continuous state employment (at TJJD or elsewhere); and
 - (II) is not employed within 30 days after separation in another state position that accrues vacation leave.
- (ii) The amount of a lump-sum payment may be affected by the following factors.
 - (I) The available vacation leave does not include vacation hours accrued but not available for use because the employee did not return to work after the hours were accrued.
 - (II) If an employee's payroll termination date is August 31, his/her payable vacation leave is not reduced as a result of fiscal year-end carryover limits. The lump sum is based on the employee's available vacation leave as of August 31.

- (III) If an employee with a last duty day on or before August 31 is allowed to remain on payroll after August 31 to exhaust vacation leave, his/her vacation leave is reduced if the balance exceeds the year-end carryover limits set by state law. See [PRS.28.05](#) for maximum carryover limits.
- (IV) If the employee is normally scheduled to work at least 40 hours per week, the available vacation leave is allocated over the workdays after the employee's payroll termination date. Eight hours is added to the leave balance for every state or national holiday occurring within the period the employee could have used the available vacation leave.
 - (-a-) This provision does not apply to an employee who is paid a lump sum as a result of his/her starting employment within 30 days after separation with another state employer that does not accrue vacation leave and does not accept the leave balance.
 - (-b-) Employees normally scheduled to work fewer than 40 hours per week receive a proportionate payment for the added hours.
- (iii) The lump-sum payment for vacation leave is not made until the employee has been separated from state employment for at least 30 days.
 - (I) Payment is calculated based on the employee's salary at the time of separation.
 - (II) The employee's salary does not include longevity pay or hazardous duty pay.
- (iv) An employee may roll (defer) all or part of his/her vacation lump-sum payment into a TexaSaver account by taking the following actions before 3:00 p.m. on his/her payroll termination date:
 - (I) open a TexaSaver account if he/she does not already have an account; and
 - (II) provide written notice (e.g., email) to the HR office with the following information:
 - (-a-) his/her full name;
 - (-b-) last four digits of his/her social security number;
 - (-c-) plan type; and
 - (-d-) the amount or percentage he/she wants to defer to the account.

(C) Exhausting Accrued Vacation Leave.

- (i) Except as noted in (ii) below, a separating employee eligible for a lump-sum payment may choose to remain on the payroll and exhaust available vacation leave up to the last calendar day of the month in which his/her last duty day occurs.
 - (I) Any holiday, compensatory, and administrative leave accrued in the past 12 months is exhausted first.
 - (II) If the employee advises of a critical need to remain on payroll and exhaust all vacation leave beyond the last calendar day of the month, the appropriate division director may consult with the appropriate budget authority and grant an exception. If the division director grants an exception, he/she must notify the HRA by email.
- (ii) An employee may not remain on the payroll and exhaust available vacation leave if the employee is:
 - (I) separating due to disciplinary termination; or

(II) resigning:

- (-a-) in lieu of disciplinary termination (See [PRS.11.31.](#));
- (-b-) while under investigation for misconduct; or
- (-c-) while awaiting a determination of disciplinary action.

(D) Exhausting Overtime Balances.

- (i) Provisions relating to remaining on payroll and exhausting vacation leave also apply to overtime balances.
- (ii) An employee remaining on payroll after his/her last duty day must use vacation leave before overtime leave unless he/she elected in writing to exhaust overtime leave first (e.g., to have more vacation leave to defer to a TexaSaver account).

(E) Restoring Unused Vacation Leave after Reemployment.

An employee's unused vacation leave is restored if:

- (i) he/she is employed by any state employer within 30 calendar days in a position that accrues vacation leave; and
- (ii) the comptroller's office has **not** processed the lump-sum payment for unused vacation leave before receiving notice of the employment.

Note: If such an employee receives a lump-sum payment, the employee's vacation leave is restored if he/she repays the lump-sum payment.

(F) Restoring Unused Sick Leave after Reemployment.

An employee's unused sick leave (excluding hours donated to the sick leave pool) is restored if he/she is employed by:

- (i) TJJJD within 12 months after the end of the month in which his/her payroll termination date occurred, but only if there has been a break in employment of at least 30 calendar days; or
- (ii) a different state employer within 12 months after the end of the month in which his/her payroll termination date occurred.

(3) Retirement through Employees Retirement System of Texas (ERS).

The effective date of retirement must be the last day of a calendar month. If an employee plans to retire, he/she should notify his/her HRA to ensure that the employee does not remain on payroll (e.g., in a paid leave status) in the calendar month after the intended retirement date.

Note: An employee's application to retire is cancelled by ERS if he/she is reported on a state payroll in the calendar month after the intended retirement date.

(A) ERS Service Credit for Sick Leave and Vacation Leave.

(i) Employees Hired before September 1, 2009.

- (I) An employee hired before September 1, 2009, whose effective date of retirement occurs in the same month as his/her payroll termination date may earn ERS service credit for available sick and vacation leave balances to:

(-a-) meet length-of-service requirements for retirement eligibility; and/or

- (-b-) increase his/her retirement credit and the amount of his/her monthly annuity check.

Note: Hours donated to the sick leave pool may not be used toward ERS service credit. In addition, ERS may cancel the employee's retirement if the employee uses annual or sick leave hours he/she allocated to meet length-of-service requirements.

- (II) Available sick leave and vacation leave are calculated separately and are creditable in the retirement system at the rate of:

- (-a-) one month of service credit for each 160 hours of leave; and

- (-b-) one month of service credit for each fraction of hours remaining after dividing the total hours by 160.

Example: A retiring employee with an available balance of 160 hours of sick leave would be able to use the balance to receive one month of service credit, but an employee with a balance of 161 hours would receive two months of service credit.

- (III) Any remaining, available sick leave will not be restored if the person is rehired. Therefore, the employee is encouraged to donate any remaining, available sick leave hours to the sick leave pool.

Example: If a retiring employee has 170 hours of unused sick leave, he/she could use 161 hours of the sick leave to receive two months of ERS service credit and donate the remaining 9 hours to the sick leave pool without reducing his/her ERS service credit.

(ii) **Employees Hired on or after September 1, 2009.**

- (I) All of the provisions in (i) above apply only if the employee hired on or after September 1, 2009:

- (-a-) had, when hired, an existing ERS retirement account from previous state employment; and

- (-b-) the account existed on September 1, 2009.

- (II) If the retiring employee did not have an existing ERS retirement account from prior state service, the provisions in (i) above apply except that retirement credit obtained by using sick and vacation leave may not be used to meet length-of-service requirements for retirement eligibility.

(B) **Lump-Sum Payment for Vacation Leave.**

Retiring employees may receive lump-sum payments, as described above in section (h)(2)(B), with the following additional conditions.

- (i) An employee's available vacation leave is not reduced by using vacation hours to establish ERS service credit if he/she was hired:

- (I) before September 1, 2013; or

- (II) on or after September 1, 2013, and when hired, the employee had:

- (-a-) an existing ERS retirement account from prior state service; and
- (-b-) the account existed on September 1, 2013.

- (ii) If the retiring employee was hired on or after September 1, 2013, and did not have an existing ERS account upon hire, he/she may receive a lump-sum payment only if he/she chooses to not use vacation leave toward ERS service credit.

(C) Exhaustion of Holiday, Compensatory, and Administrative Leave.

A retiring employee is responsible for coordinating with the HRA to review and complete a Pending Retiree's Options Regarding Certain Leave Balances form, [HR-066](#).

- (i) The employee must complete the HR-066 form or provide the HRA with other written notification if he/she chooses to forfeit all holiday, compensatory, and administrative leave balances that:

- (I) were accrued during the 12 months before the employee's last duty day; and
- (II) would remain in the employee's leave balances past his/her intended retirement date.

- (ii) If the employee does not provide written notification, he/she remains on payroll until all holiday, compensatory, and administrative leave is exhausted.

(4) Inter-Agency Transfer.

Procedures in this section apply to an employee transferring from TJJJ to another state employer with no break in state service.

(A) Avoiding Simultaneous Employment with Multiple State Employers.

If a TJJJ employee is hired by another state employer, state law prohibits transferring his/her leave to the other state employer if the employee is simultaneously employed by TJJJ and the new employer. [See [\(6\)](#) below.] To avoid such simultaneous employment, a TJJJ employee may not use any TJJJ leave after starting his/her new job.

(B) Vacation Leave.

The employee's vacation leave transfers directly to the other state employer, unless the other state employer does not accrue vacation time and refuses to credit the employee for his/her vacation leave. In this situation, provisions for a lump-sum payment apply. [See [\(h\)\(2\)\(B\)](#).]

(C) Sick Leave.

The employee's accrued sick leave transfers directly to the new state employer.

(D) Holiday, Administrative, and Compensatory Leave.

- (i) The employee's accrued holiday leave is not transferred unless the employee transfers because:
 - (I) the legislature transfers legal authority or duties from one state agency to another state agency; or
 - (II) the State Council on Competitive Government accepts a bid for a commercially available service that a state agency previously provided.

- (ii) The employee's accrued administrative leave and compensatory leave are not transferred.
- (iii) The employee may use holiday, administrative, or compensatory leave accrued in the past 12 months by remaining on the TJJJ payroll after the employee's last duty day until his/her effective hire date with the other state employer.
- (iv) If a state holiday occurs between the employee's TJJJ payroll termination date and his/her effective hire date with the other state employer (e.g., New Year's Day), TJJJ is not responsible for paying the employee for the holiday.

Note: Per state law, the other state employer must pay for the holiday regardless of whether it recognizes that particular holiday.

(5) **Reduction in Force (RIF).**

The procedures in this section apply to an employee whose position has been identified for elimination due to a RIF.

(A) **Exhaustion of Leave.**

The employee may not exhaust any leave accruals beyond the date the position is scheduled for elimination without the written approval of the executive director. This prohibition applies even if the employee chooses to voluntarily separate before the date the position is scheduled for elimination.

(B) **Sick Leave.**

- (i) If the employee's separation is due to a RIF, his/her available sick leave at the time of separation will be restored if he/she is reemployed by the state within 12 months after the end of the month in which the payroll termination date occurs. The available sick leave excludes any hours donated to the sick leave pool.
- (ii) If the employee separates from employment for another reason prior to the date the position is scheduled for elimination (e.g., retirement, inter-agency transfer), the corresponding sick leave provisions set forth earlier in this policy apply.

(C) **Vacation Leave.**

Provisions relating to lump-sum payments [see [\(h\)\(2\)\(B\)](#)] and restoring unused vacation leave after reemployment with a state employer [see [\(h\)\(2\)\(E\)](#)] will apply.

(6) **Separation of Employee Simultaneously Employed by Multiple State Employers.**

Procedures in this section apply to an employee who is simultaneously employed by TJJJ and another state employer on his/her payroll termination date (e.g., he/she is employed part time by both employers).

- (A) The employee's leave balances are not transferred to the other state employer, even if the employee remains employed with the other employer.
 - (B) If the employee leaves both state employments at the same time and transfers to a different state employer without a break in state service, the provisions relating to an inter-agency transfer apply.
 - (C) If the employee remains employed with the other state employer or leaves both state employments at the same time without directly transferring to another state employer, the reason for separation (i.e., retirement, RIF, or other separation reason) determines which leave provisions apply.
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