

# Wisconsin Human Resources Handbook

## Chapter 732

### Transfer of Continuous Service and Accumulated Leave Credits Upon Movement within State Service

Sec. 732.010	Introduction	Sec. 732.070	Payment for Unused Accumulated Leave Credits Which Cannot be Transferred
Sec. 732.020	Statutory and Rule Authority		
Sec. 732.030	Definitions		
Sec. 732.040	Transfer of Leave Credits by Permanent or Classified Employees or Unclassified Employees	Sec. 732.080	Procedures and Instructions
		Sec. 732.090	Charts
		Sec. 732.100	Referral of Questions
Sec. 732.050	Transfer of Leave Credits by Project Employees who were Permanent Classified or Unclassified Employees	Sec. 732.110	Administrative Information
	Integration with Other Programs/Benefits	Attachment # 1	Coverage of Employees Under s. 230.35, Wis. Stats
		Attachment # 2	Transfer of Leave Credits Upon Movement in State Service
Sec. 732.060	Transfer of Leave Credits by Project Employees Who Were Not Previously Permanent Classified Employees or Unclassified Employees		

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#### Sec. 732.010 Introduction

This chapter provides clarification of policy for the transfer of continuous service and accumulated leave credits to or from classified, eligible unclassified or project employment upon movement within state service. If the public safety collective bargaining agreement has specific provisions regarding the subjects of this chapter, the agreement will supersede the provisions of this chapter.

#### Sec. 732.020 Statutory and Rule Authority

1. [Section 230.35, Wis. Stats.](#), sets forth the provisions for granting annual leave, continuous service, sick leave, and holidays to classified and eligible unclassified employees other than limited term employees.
2. [Section 230.26 \(4\), Wis. Stats.](#), provides that limited term employees do not qualify for tenure, annual leave, paid holidays, or sick leave.
3. [Section 230.27 \(2m\), Wis. Stats.](#), sets forth the conditions for accumulation and transfer of continuous service rights and benefits earned while serving in a project appointment to or from other project or permanent appointments.
4. [Chapter ER 18, Wis. Adm. Code](#), sets forth the policies to be followed in the accumulation, continuation and transfer of leave credits and continuous service by classified and eligible unclassified employees.

5. [Chapter ER 34, Wis., Adm. Code](#), sets forth the policies to be followed in the transfer of credits by project employees.

### Sec. 732.030 Definitions

1. **Continuous service:** All the time in continuous employment status as computed under s. ER 18.02 (2), Wis. Adm. Code, in the unclassified service or as a permanent employee in the classified service. Continuous service does not include time served in limited term employment and in those positions under s. 230.08 (2) (k), Wis. Stats., regarding students.
2. **Covered employment:** Employment that results in the accrual of leave credits pursuant to s. 230.35, Wis. Stats. See Attachment #1.
3. **Employment status:** The status of an employee in pay status or: on an approved leave of absence without pay; on military leave; on leave to serve in the unclassified service; on leave of absence due to injury or illness arising out of state employment; laid off and restored within three years or covered by worker's compensation under Ch. 102, Wis. Stats. or s. 230.36, Wis. Stats.; or on temporary layoff.
4. **Leave credits:** Except for those credits received as catastrophic leave under s. ER 18.15, Wis. Adm. Code, leave credits are earned but unused annual leave, termination/sabbatical leave, sick leave, personal and legal holiday time, and holiday compensatory time off. Compensatory time off credits earned for working overtime are not leave credits.
5. **Limited term employee:** A person who is an employee as a result of either:
  - a. Employment in the classified service in which the nature and conditions do not permit attainment of permanent status in class, for which the use of normal procedures for recruitment and examination are not practicable, and which is not project employment; or
  - b. Comparable employment in the unclassified service. Normally, employment that does not meet the coverage requirement of s. 40.22 (2) (b), Wis. Stats., would be considered comparable.
6. **New appointing authority or agency:** The appointing authority or agency after the movement occurs within state service. The new appointing authority or agency may be the same as the former appointing authority or agency.
7. **Permanent employee:** A person who is an employee as a result of a permanent appointment, whether or not the employee has attained permanent status.
8. **Project appointment:** The appointment of a person to a project position under conditions of employment that do not provide for attainment of permanent status.
9. **Project employee:** A person who is an employee as a result of a project appointment.
10. **Termination:** The end of employment status.

### Sec. 732.040 Transfer of Leave Credits by Permanent Classified Employees or Unclassified Employees

1. **Unclassified Not Covered to Covered:** When an employee moves from unclassified state employment which was not covered employment to covered employment, annual leave, personal holiday, and legal holiday leave credits accumulated under the employment which is not covered may be retained by the employee upon mutual agreement between the employee and the new appointing authority. Such agreements have been delegated to agencies except in situations of accretion. Sick leave credits accumulated under

employment which is not covered shall be retained by the employee, subject to the following limitation: the transfer of sick leave earned as an employee of the University of Wisconsin (UW) will be authorized, providing the total number of days accrued under the UW sick leave policies does not exceed the maximum number of equivalent hours which could have been accumulated under the accrual schedule contained in s. ER 18.03 (2) (a) Wis. Adm. Code. However, UW personal holiday credits will not transfer (See Sec. 716.060).

When positions are converted from the unclassified to the classified service or when the state becomes responsible for a function previously administered by another governmental agency or quasi-public or private enterprise, leave credits for employees who remain in such positions pursuant to a waiver of competition under s. 230.15 (1), Wis. Stats. are determined by the Administrator.

See Ch. ER 18.05(4), Wis. Adm Code, and section 732.060 of this chapter for transfer of continuous service credits by an employee who moves from unclassified employment that is not covered employment to covered employment. Upon movement to covered employment, continuous service would include all time in continuous employment status in the unclassified civil service or as a permanent employee in the classified service. Continuous service would also include time between any layoff and subsequent restoration within three years. Continuous service would not include time served as a limited term employee and in those positions under s. 230.08 (2) (k), Wis. Stats., regarding students.

2. **Represented (Not Covered) to Covered:** When a represented public safety employee moves to covered employment outside the bargaining unit, the employee shall carry forward any unused accumulated leave credits. The employee's seniority **shall be recalculated** as continuous service in accordance with s. ER 18.02 (2) Wis. Admin. Code and carried forward.

3. **Covered to Covered:** When an employee moves between positions and employment in both positions is covered employment, the obligation for any unused accumulated leave credits earned pursuant to s. 230.35, Wis. Stats., shall be assumed by the new appointing authority.

When an elected official moves to other covered employment, any unused sick leave credits shall be carried forward.

4. **Covered to Unclassified Not Covered:** When an employee in covered employment moves to unclassified state employment which is not covered employment, the employee may carry forward any unused accumulated leave credits earned pursuant to s. 230.35, Wis. Stats., to the new place of employment, provided the new appointing authority agrees to assume the obligation for them.

When an employee in covered employment terminates and moves to unclassified state employment which is not covered employment and the new appointing authority is not willing to assume the obligation for any unused accumulated leave credits earned pursuant to s. 230.35, Wis. Stats., the former agency shall pay the employee a lump sum payment for the leave credits, except that no payment shall be made for sick leave credits. The UW will accept sick leave balances, but the UW will only accept vacation and sabbatical balances if done so in writing as part of the offer of employment. Without such approval, the sending agency must pay out the sabbatical balance and the unused portion of vacation earned through the last day at the sending agency. **If the used vacation exceeds the amount earned through the last day employed by the sending agency, the sending agency must collect payment for vacation used that exceeds the amount earned for the year.** Also, personal holiday credits will not transfer to the UW (See Chapter 716, Sec. 716.060).

5. **Covered to Represented:** Upon movement to a represented public safety position, transfer of continuous service credits and unused accumulated leave credits is subject to the appropriate provisions of this chapter unless provisions of the public safety collective bargaining agreement provide otherwise.

**Sec. 732.050 Transfer of Leave Credits by Project Employees Who Were Permanent Classified Employees or Unclassified Employees**

Pursuant to s. 230.27 (2m) (b), Wis. Stats., a project employee who has previously been a permanent classified employee or an unclassified employee other than a limited term employee may transfer continuous service and leave credits previously earned to their project appointment, and from the project appointment to a subsequent project or permanent appointment, if the employee could have transferred these credits if the project appointments had been permanent appointments, subject to 1. through 4. below.

1. **Transfer of Credits to a Project Appointment:** Accumulated leave credits earned as a permanent classified employee or as an unclassified employee other than a limited term employee shall be carried over to a project appointment in the same manner as prescribed under s. ER 18.05 (2), Wis. Adm. Code if the project employee would have been able to carry over the leave credits to a permanent appointment.

Continuous service credits earned as a permanent classified employee or as an unclassified employee other than a limited term employee shall be carried over to a project appointment in the same manner as prescribed under s. ER 18.02 (2), Wis. Adm. Code if the project employee would have been eligible to carry over the continuous service credits to a permanent appointment.

2. **Transfer of Credits Between Project Appointments:** Accumulated leave and continuous service credits earned during a project appointment shall be carried over upon appointment to a subsequent project appointment, if the project employee previously was a permanent classified employee or unclassified employee other than a limited term employee, and could have carried over the leave credits if the project appointments had been permanent appointments.

An employee's reinstatement eligibility may expire while the employee continues to be eligible to transfer leave credits. Example: If an employee terminates employment from a permanent appointment and is subsequently employed in a project appointment, reinstatement eligibility will expire five years from the termination date of the permanent position. However, the employee will retain eligibility to transfer leave credits as long as the break in service between each project appointment is less than five years. If the employee returns to permanent employment via an original appointment within five years of termination from the project appointment, leave credits will transfer.

3. **Transfer of Credits From a Project Appointment:** Accumulated leave and continuous service credits earned during a project appointment shall be carried over upon a permanent classified appointment or unclassified appointment if the project employee previously was a permanent classified employee or an unclassified employee other than a limited term employee and could have carried over the leave credits if the project appointment had been a permanent appointment.
4. **Transfer of Personal Holidays and Legal Holidays.** Personal holidays earned in a calendar year shall be transferred in accordance with Sec. 732.060, 4. of this chapter. Time off for personal and legal holidays shall be granted under s. ER 18.04, Wis. Adm. Code. If an employee moves between any type of appointment, including project appointments, they are eligible to transfer personal holidays. The total number of personal holidays earned in a calendar year in non-UW employment shall not exceed four and one-half days.

**Sec. 732.060 Transfer of Leave Credits by Project Employees Who Were Not Previously Permanent Classified Employees or Unclassified Employees**

Pursuant to s. 230.27 (2m)(a), Wis. Stats., a project employee who has not previously been a permanent classified employee or an unclassified employee other than a limited term employee, may not transfer continuous service or leave credits, except personal holidays, earned in any project appointment to subsequent project, permanent, or unclassified appointments, subject to 1 through 4. See Sec. 732.070 of this chapter for provisions relating to payment for unused leave credits which cannot be transferred.

1. **Continuous Service:** Continuous service credit shall be earned for the duration of employment in the project position. Continuous service is considered interrupted and a new period of continuous service begins upon subsequent project, permanent, or unclassified appointments.
2. **Annual Leave:** A six-month qualifying period must be served in each project appointment and subsequent permanent appointment before an employee becomes eligible to use annual leave.
3. **Sick Leave:** Unused sick leave credits shall be cancelled upon subsequent project, permanent, or unclassified appointments.
4. **Personal and Legal Holidays:** Time off for personal and legal holidays shall be granted under s. ER 18.04, Wis. Adm. Code. If an employee moves between any type of appointment, including project appointments, they are eligible for personal holidays. The total number of personal holidays in non-UW employment earned in a calendar year shall not exceed four and one-half days. Unused personal holidays shall be transferred upon subsequent project, permanent, or unclassified appointments to other non-UW employment.

#### **Sec. 732.070 Payment for Unused Accumulated Leave Credits Which Cannot Be Transferred**

1. A lump sum payment shall be made for all unused leave credits earned pursuant to s. 230.35, Wis. Stats., except sick leave, upon termination of covered employment whenever unused leave credits cannot be transferred to employment which is not covered.
2. No lump sum payment for unused leave credits shall be made except as provided above or upon termination from state service.

#### **Sec. 732.080 Procedures and Instructions**

The Agency must determine employee eligibility to transfer leave credits upon movement within state service using concepts and charts found in this chapter.

#### **Sec. 732.090 Charts**

There are two charts attached that are designed to assist agencies in determining whether an employee is eligible to accrue and transfer leave credits pursuant to s. 230.35, Wis. Stats.

**Attachment 1:** “Coverage of Employees Under s. 230.35, Wis. Stats.,” lists each type of employee group and the leave credits for which members of that group are eligible.

**Attachment 2:** “Transfer of Leave Credits Upon Movement in State Service” lists the various types of appointments from which and to which an employee may move in state service. Corresponding to each type of movement are entries indicating the employee’s eligibility to transfer previously accrued credits to the new appointment.

#### **Sec. 732.100 Referral of Questions**

Question regarding the information contained in this chapter should be referred to the Bureau of Compensation and Employment Relations, Classification and Compensation Section.

#### **Sec. 732.110 Administrative Information**

This handbook chapter was originally issued in August 1986.

It was revised in 2004 to reflect changes in website addresses, references to other handbook chapters and:

- Personal holidays were increased to 4.5 days (1 day recognizes Veterans Day).
- DER was changed to OSER.
- Three years reinstatement eligibility time period was changed to five years.

This handbook chapter was revised February 2016 to generally remove distinctions between represented and non-represented staff, and for technical updates due to the exclusion of all UW employment from “covered employment” as defined in this chapter and the non-transferability of personal holidays between UW and non-UW positions. Pursuant to the changes introduced by 2015 Wisconsin Act 55, in July 2015, the Office of State Employment Relations was eliminated and the functions were transferred into the newly created Department of Administration, Division of Personnel Management. This chapter was updated to reflect the changes in terminology that resulted from the organizational restructuring.

Attachment # 1 Chart – Coverage of Employees Under 230.35, Wis. Stats.

Attachment # 2 Chart – Transfer of Credits Upon Movement in State Service

In June 2018, minor updates were made to ensure that the information is current and to update the formatting of the chapter to align with the *Wisconsin Human Resources Handbook* standards. In May 2017, the Bureau of Compensation and Labor Relations was modified to be the Bureau of Compensation and Employment Relations. Updates were made to reflect this name change.

**Coverage of Employees Under s. 230.35, Wis. Stats.**

**Note:** Limited term employees are not eligible for paid leave under s. 230.35, Wis. Stats.

**PAID LEAVE PROVISION - EMPLOYEE GROUP**

	Annual Leave)	Annual Leave	Sick Leave	Legal Holiday	Personal Holiday	Cash Payment * Unused Leave
<b>s. 230.35, Wis. Stats</b>	(1)	(1m)/(1r)	(2)	(4) (c)	(4) (d)	
<b>CLASSIFIED</b>						
Executive Branch	FLSA nonexempt	FLSA exempt	X	X	X	X
<b>UNCLASSIFIED</b>						
Executive Branch indefinite term except UW	FLSA nonexempt	FLSA exempt	X	X	X	X
Executive Branch s. 20.923 (2) fixed term			X			
Executive Branch s. 20.923 (4) fixed term	FLSA nonexempt	exempt	X	X	X	X
UW Unclassified						
Legislative and Judicial Branches staff			X			
Legislative and Judicial Branches elected officials						

\* excludes sick leave

Attachment #2

**TRANSFER OF LEAVE CREDITS UPON MOVEMENT IN STATE SERVICE**

Assumption: Movement between positions occurs with less than a 5 year break in service and is not a result of termination for cause.

**Definitions:**

Covered = Employment that results in the accrual of leave credits pursuant to s. 230.35, Wis. Stats.

Not Covered = Employment that does not result in the accrual of leave credits pursuant to s. 230.35, Wis. Stats.

**Transfer Eligibility Codes:**

Y = Yes    N = No    D = At the discretion of the new appointing authority

FROM	TO	CONTINUOUS SERVICE	ANNUAL LEAVE	LEGAL HOLIDAY	PERSONAL HOLIDAY	SICK LEAVE	TERM SABB
CLASSIFIED OR UNCLASSIFIED COVERED OR PROJECT COVERED (Employee previously served in a permanent position and would be eligible to carry over credits to a permanent appointment.)	CLASSIFIED	Y	Y	Y	Y	Y	Y
	UNCLASSIFIED COVERED	Y	Y	Y	Y	Y	Y
	UNCLASSIFIED NOT COVERED (2)	Y (1)	D (5)	D	D (4)	D	D (5)
	ELECTED OFFICIAL	Y	N	N	N	Y	N
	PROJECT COVERED	Y	Y	Y	Y	Y	Y
	PROJECT NOT COVERED	Y(1)	D	D	D (4)	D	D
	UNCLASSIFIED NOT COVERED (2) OR PROJECT NOT COVERED (Employee previously served in a permanent position and would be eligible to carry over credits to a permanent appointment.)	CLASSIFIED	Y	D	D	D (4)	Y (3)
UNCLASSIFIED COVERED		Y	D	D	D (4)	Y (3)	D
UNCLASSIFIED NOT COVERED (2)		Y (1)	D (5)	D	D (4)	D	D (5)
ELECTED OFFICIAL		Y	N	N	N	Y (3)	N
PROJECT COVERED		Y	D	D	D (4)	Y (3)	D
PROJECT NOT COVERED		Y (1)	D	D	D (4)	D	D

(Continued)

Attachment #2 -Continued

		CONTINUOUS SERVICE	ANNUAL LEAVE	LEGAL HOLIDAY	PERSONAL HOLIDAY	SICK LEAVE	TERM SABB
		PROJECT UNCOVERED OR PROJECT NOT COVERED  (Both - Employee did not previously serve in a permanent position or previously served in a permanent position but would not be eligible to carry over credits to a permanent appointment.)	CLASSIFIED	N	N	N	N
UNCLASSIFIED COVERED	N		N	N	N	N	N
UNCLASSIFIED NOT COVERED (2)	N		N	N	N	N	N
ELECTED OFFICIAL	N		N	N	N	N	N
PROJECT COVERED	N		N	N	N	N	N
PROJECT NOT COVERED	N		N	N	N	N	N
ELECTED OFFICIAL	Y		N	N	N	Y	D
UNCLASSIFIED COVERED	Y		N	N	N	Y	D
ELECTED OFFICIAL	UNCLASSIFIED NOT COVERED (2)	Y (1)	N	N	N	D	D
	ELECTED OFFICIAL	Y	N	N	N	Y	D
	PROJECT COVERED	Y	N	N	N	Y	D
	PROJECT NOT COVERED	Y (1)	N	N	N	D	D

Footnotes:

- (1) Continuous service previously accumulated shall not be cancelled upon movement to the uncovered position. Upon subsequent movement from the uncovered position to a covered position, previously accumulated continuous service shall be adjusted by the time in continuous employment status in the uncovered position.
- (2) Continuous service excludes time served in those student positions.
- (3) The transfer of sick leave earned as an employee of the UW will be authorized, providing the total number of days accrued under the UW leave policies does not exceed the maximum number of equivalent hours which could have been accumulated under the accrual schedule contained in s. ER 18.03 (2) (a), Wis. Adm. Code.
- (4) Personal holiday credits do not transfer between UW and any non-UW positions (See Sec. 716.060).
- (5) The UW will only accept vacation and sabbatical balances if done so in writing as part of the offer of employment. Without such approval, the sending agency must pay out the sabbatical balance and the unused portion of vacation earned through the last day at the sending agency. **If the used vacation exceeds the amount earned through the last day employed by the sending agency, the sending agency must collect payment for vacation used that exceeds the amount earned for the year.**