

Chapter 2

Salary and Benefits

2.0 Introduction

Chapter 2 contains general information on salary, fringe benefits and leave. For specifics, refer to the Montana Operations Manual, Volume III, Personnel Policies and Procedures (MOM), Agreement Between The State of Montana and Public Employees Craft Council, Agreement between the State of Montana and the American Federation of State, County and Municipal Employees. This is a synopsis of the actual laws, rules and policies, which govern MDT.

2.1 Salary

Each session, the Montana Legislature approves a pay plan for state employees and appropriates money to fund the program.

An employee's regular salary is based on a standard 40-hour workweek.

Maintenance workers' compensation plan is developed through their union contract. (See union contracts and blue-collar wage schedules for covered positions.)

Longevity pay is given to encourage and reward continuity of service. Longevity pay is given to maintenance workers for every five years of uninterrupted, full time service with the State. (MOM, Volume III, Pay Plan Rules Policy #3-0505)

The State of Montana pays employees every two weeks. The checks come within 10 business days following the last day of the payroll period. Workers must submit a time sheet at the end of each pay period.

If pay is deposited automatically, the worker will receive a payroll advice form that shows the number of hours worked, gross pay, net pay, and other items such as insurance, tax withholdings, deferred compensation, union or credit union deductions and charitable contributions. It also shows the amount of annual leave, sick leave and compensatory time earned and taken.

There are 26 pay periods in each year. Deductions, such as insurance or credit union payment, are halved each month and deducted from 24 pay periods. During the year, there are two pay periods without these types of deductions. For questions about pay, contact District Personnel Specialist or Payroll Technician.

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2.2 Overtime and Compensatory Time

The Fair Labor Standards Act (FLSA) covers state government overtime and some compensatory time practices. Maintenance workers receive overtime pay according to their union agreement with the State of Montana. (See specifics in union agreements.)

2.3 Payroll Deductions

State and Federal Withholding

The State withholds a portion of the wages to help meet tax obligations. Shortly after the end of the year, workers receive IRS Form W-2 that shows the total amount of taxes the state has withheld during the past year. The amount withheld depends on the salary and number of dependents claimed. At anytime during the year, changes in the number of dependents may be made based on IRS guidelines.

Social Security

Social Security and/or Medicare cover State employees. Employees are eligible for Social Security benefits when they retire at 62 or are permanently disabled. In event of death, employee's survivors may be eligible for benefits. For more information, contact the Federal Social Security Office.

Retirement

Membership in the Public Employee's Retirement System (PERS) is mandatory for most state employees and begins on the first day of employment. Mandatory contributions to PERS are tax deferred.

Health and Life Insurance

The State of Montana covers the core cost of health insurance. Additional coverage is available for the employee and their eligible dependents. The cost of this insurance is deducted from the salary.

2.4 Travel Reimbursement

When employees, who are authorized to travel and are in travel status for official business, will receive compensation in the form of per diem. The per diem payment consists of set amounts for lodging and meals. MDT will pay or reimburse for travel related expenses provided appropriate receipts are submitted. The expenses are submitted on an employee's time sheet with appropriate receipts. Check the Accounting Manual and Union Contracts for current rates and an explanation of how per diem applies to maintenance workers.

When traveling, the state motor pool may provide a state-owned vehicle. When an employee uses a personal vehicle for travel on state business, the employee needs to receive prior approval to receive reimbursement.

2.5 Leave

Annual Vacation Leave

Permanent, seasonal and temporary employees qualify to earn annual leave credits and must be continuously employed for six calendar months to use annual leave. Employees on leave-without-pay do not earn annual leave credits while in that status. Supervisors must receive in advance and approve annual leave request according to MDT approval procedures.

Full-time permanent and temporary employees earn annual leave credits based on the total years of service as a Montana Public Employee. Short-term workers do not accrue annual leave. The District Personnel Specialist, Payroll Technicians or Helena Human Resource Bureau has details on annual leave.

Rate Earned Schedule	
Years of Employment	Working Days Credit Per Year
1 day through 10 years	15
10 years through 15 years	18
15 years through 20 years	21
20 years or more	24

When leaving State employment, an employee will receive cash compensation for unused annual leave credits provided he/she has been employed for six months with the State of Montana. An employee must have at least six months continuous service to be eligible for cash compensation. An employee may not receive cash compensation if terminated for reasons “reflecting discredit” on MDT.

Sick Leave

Permanent, seasonal and temporary employees are eligible to earn sick leave credits from their first day of employment. An employee must be employed for 90 days from date of hire before he/she is eligible to use sick leave.

Full-time employees earn sick leave at a rate of twelve days per year. Part-time employees earn sick leave on a prorated basis. Short-term workers do not accrue sick leave. Employees on Leave without Pay do not earn sick leave credits while in that status.

Sick leave may be used for the following reasons:

- Personal illness, injury, medical disability or pregnancy.
- Parental leave immediately following a child’s birth or adoption.
- Quarantine resulting from exposure to a contagious disease.
- Medical, dental or eye examination or treatment.

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- Care or attendance to an immediate family member for medical reasons (or other relatives at agency's discretion). (MOM #30310)
- Death and funeral attendance of immediate family member(s) (or others at agency's discretion).

Using sick leave for any reason, which is not approved, is considered an abuse of sick leave. Chronic, persistent or patterned use of sick leave also may be considered an abuse of sick leave. Abuse of sick leave is cause for dismissal and forfeiture of cash compensation for unused sick leave.

Sick Leave Fund

The sick leave fund offers two programs: grants of sick leave from the fund (for participating employees) and direct grants of sick leave from coworkers. Employees may join the sick leave fund by contributing eight hours of sick leave to the fund. Participation retirements are prorated for part-time employees. Employees must have at least a 40-hour minimum balance of sick leave after the contribution to the fund.

An employee is eligible to receive leave from the sick leave fund after he/she has used all his/her sick leave, annual leave; other accrued paid leave and had twenty hours leave without pay. To receive the sick leave fund, the employee must receive approval from the agency. There are additional sick leave funds and direct sick leave grant program requirements. To find out more about joining the Sick Leave Fund and giving or receiving direct sick leave grants, contact Accounting or the Employee Benefits Bureau, State Personnel Division.

Holiday Leave

Legal holidays for state employees are as follows:

- New Year's Day, January 1
- Martin Luther King Day, the third Monday in January
- Lincoln's and Washington's Birthday, the third Monday in February
- Memorial Day, the last Monday in May
- Independence Day, July 4
- Labor Day, the first Monday in September
- Columbus Day, the second Monday in October
- Veteran's Day, November 11
- Thanksgiving Day, the fourth Thursday in November
- Christmas Day, December 25
- State General Election, on even numbered years

Jury Duty and Witness Leave

State employees, who are formally summoned or subpoenaed, are granted leave to serve as witnesses or serve on a jury. If called to serve, an employee needs to provide a copy of the summons, subpoena or jury service notice to his/her supervisor. An employee may

receive his/her regular salary while on jury leave, if he/she turns in the fees and allowances he/she was paid for the jury service to the Payroll Technician within three days of the time he/she received it. Employees may keep any expense or mileage monies paid by the court when using his/her personal vehicle.

Family and Medical Leave Act (FMLA)

The Family and Medical Leave Act of 1993 entitles qualified employees up to 12 work weeks or 480 hours of unpaid, job-protected leave in a 12 month period for the following reasons:

- Birth of a son or daughter and to care for the newborn child.
- Placement with the employee of a child for adoption or foster care and to care for the child.
- Care of an employee's spouse, son, daughter or parent with a serious health condition.
- Because of an employee's serious health condition which causes absences from work.

To qualify for FMLA leave, an employee must have worked for the State of Montana for a total of 12 months. The 12 months does not have to be continuous employment. Employees must also have been in pay status of at least 1040 hours during the previous 12 months.

Employees have the option of using their annual, sick or comp time balances while on FMLA leave. Employees must first use their sick leave balance before being in leave-without-pay status. The only exception is for after the birth of a child or adoption of a child. The mother can only use sick leave for the first six-weeks after the birth or adoption of a child unless the mother or child is ill. The father can only use sick leave for the first three-weeks after the birth or adoption of a child unless the mother or child is ill and need of care.

Medical certification is required after an absence of more than five-continuous working days or after more than five absences for the same medical condition. A medical certification may also be required when an employee requests FMLA leave to provide care for a parent, child or spouse. A fitness-to-return-to-work is required after an employee's absence for his or her own medical condition of more than five-continuous working days. The Department may require a second or third medical opinion (at the agency's expense) to verify the need for FMLA leave.

During a FMLA absence the state will maintain the state share of insurance. If the employee pays over and above the state share for insurance coverage, he/she is responsible to make the same contribution to maintain insurance coverage during the FMLA leave. If the employees fail to return to work after the FMLA leave for a reason other than the FMLA condition, they may be liable for repayment of the state share of

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insurance. The supervisor will contact the payroll/technician to inform them the employee will be coding to FMLA codes on their time sheet during their absences.

Employees returning from FMLA leave are reassigned to their original or an equivalent position with equivalent pay, benefits, hours and any other conditions and terms of employment. The use of FMLA leave does not result in the loss employment benefits that accrued prior to the start or during and employee's FMLA leave.

The FMLA Act states an employer may not:

- Interfere with, restrain or deny the exercise of any right provided under the FMLA or
- Discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

The US Department of Labor and Industry, Wage and Hour Division is authorized to investigate and resolve complaints of violations. An eligible employee may bring a civil action against an employer for violations.

For more information about the Family and Medical Leave Act contact the District Personnel Specialist or Helena Human Resources Bureau.

Disability and Maternity Leave

Disability is an illness, injury or other condition, which prevents an employee from performing some or all of the duties of his/her position. It may be temporary or permanent. A disability may be the result of a short-term illness or injury, pregnancy or childbirth or industrial accident. If an employee is absent because of a disability, he/she may request sick leave, annual leave, leave without pay, or other accrued leave.

Montana law requires that employers provide a reasonable leave of absence for maternity leave. Personnel rules define six weeks as a reasonable amount of leave to recover from a temporary disability after the birth of a child. For additional information on maternity leave, contact the District Personnel Specialist or Helena Human Resource Bureau.

Many state agencies have developed early return to work programs for employees who have been injured, cannot return to full-time work and are eligible for or receiving workers' compensation. In many cases, an employee's existing position or work schedule can be temporarily modified. Other duties may be temporarily assigned to accommodate the physical restrictions identified by the employee's medical provider. The supervisor, district office or the State Fund has more information about early return to work.

The State of Montana makes every effort to provide reasonable accommodation to people with disabilities covered by the Americans With Disabilities Act of 1990 (ADA). For

more information about reasonable accommodation and disability, contact supervisor, District Personnel Specialist, Helena Human Resources Bureau, ADA Coordinator or Human Resources Standards & Services Bureau.

Parental Leave

Permanent employees who are birth fathers or parents adopting a child may take a reasonable leave of absence, not to exceed 15 working days, immediately following the birth or placement of an adopted child. Parental leave is unpaid leave. An employee may request sick leave, annual leave, compensatory time or other appropriate paid leave.

Military Leave

If an employee is a member of an organized militia of the State or the military forces of the United States, he/she is allowed up to 15 working days of paid military leave per year for annual encampments or similar active duty training. Regular military drills (for example weekend drills) are not considered annual encampments or active duty training and do not qualify for paid military leave. If an employee is not eligible for paid military leave, he/she may request using annual leave, compensatory time or leave-without-pay.

An employee must be employed six calendar months to qualify for paid military leave. When an employee is authorized to receive paid military leave, he/she will receive his/her regular salary and benefits. The employee must submit a copy of the orders that directs him/her to report for duty with the military leave request. Whenever possible, military leave should be requested in advance. Supervisor, District Personnel Specialist or Helena Human Resources can provide more information about the military leave.

If an employee is a member of any branch of the armed services and is ordered to active duty by a reserve component, federal law requires reinstatement in a job at the same seniority, status and pay had he/she not been called to active duty. The employee must apply for reemployment within 90 days of discharge from active duty.

Leave of Absences Without Pay

Leave-without-pay is a period of unpaid absence from employment that does not result in a break in service. Supervisors must approve any leaves of absence. The agency will consider the request based on the cost and benefits to the agency and other applicable laws such as the Family and Medical Leave Act. For more information, contact supervisor, District Personnel Specialist or Helena Human Resources.

Other Types of Leave

There are other types of leave such as emergencies and Red Cross Service leave. Check Montana Operations Manual, Volume III, Personnel Policies and Procedures Chapter 3-0320 or contact the District Personnel Specialist or Helena Human Resources for more information.

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2.6 Retirement

There is no mandatory retirement age for state employees. Membership in the Public Employee's Retirement System (PERS) is mandatory for most state employees and begins on the first day of employment. Mandatory contributions to PERS are tax deferred and may not be refunded for any reason until termination of covered employment. PERS provides retirement, disability and death benefits to state and local government and school district employees.

The Montana Public Employee Retirement System Handbook provides details about PERS. It is available from the district payroll staff, personnel office or Public Employee Retirement Division. To help with retirement planning, PERD and the Professional Development Center sponsor a Pre-Retirement Planning Workshop quarterly. For more information on the workshop, contact Organization Development. For more information on the retirement system, contact the Public Employee's Retirement Division.

2.7 Benefits

Health and Life Insurance Group Benefits

The State of Montana has developed a comprehensive group insurance benefits program that includes medical, dental, vision, prescription and life insurance options. The state contribution covers the cost of the "core" medical, dental, and basic life insurance. Additional coverage is available for the employees and their eligible dependents. The District Pay Technician or the Employee Benefits Bureau has information about the cost of additional coverage.

The state sponsors every other year health screening for eligible employees at no cost. The screening features a blood analysis, body weight assessment and overall health review. The employees will be notified when the health screenings are scheduled.

Deferred Compensation

The State Deferred Compensation Program is a voluntary supplemental retirement program authorized by the Internal Revenue Service Codes and Montana Law. The program allows the employee to defer a specified amount of pre-tax income into an account. The amount deferred and any investment income is not taxable until the money is received, usually at retirement.

Worker's Compensation

If a worker is injured on the job, he/she should notify the supervisor immediately. The employee may be eligible for Workers' Compensation Insurance. MDT has an early return to work program that is available to employees who qualify for Workers' Compensation. The Human Resource office will have information on the early return to work program.

More information about Workers' Compensation Insurance is contained in the publication, Workers' Compensation Information Pamphlet. To obtain a copy contact the Employment Relations Division, Department of Labor and Industry.

Unemployment Insurance

State employees are covered by unemployment insurance. If employees become unemployed through no fault of their own, they may be eligible for benefits and should contact the Job Service. To receive benefits, you must be able and available to work or be actively seeking work.

Contact local Job Service Office with questions about eligibility for unemployment benefits.

2.8 Fringe Benefits

Physical Examination for Driver's Licenses

Employees who are required to obtain a Commercial Driver's License as part of their job must, prior to issuance of the license and periodically for maintenance of the license, pass a physical examination. The cost of this physical examination may be taken out of the employees' protective clothing allowance.

Protective Clothing

Employees receive an allowance to purchase protective clothing every contract period. The following are the safety items approved for purchase under the \$200 allowance specified in the AFSCME and Craft Council agreements:

- Footwear-Good quality leather safety boot with steel or fiberglass toe and slip resistant sole. Boots must meet the ANSI crush and impact standards (ANSI 175/C75, ANSI Z41-1991.) The boot, the packaging, or the receipt should clearly identify the boots as meeting this standard. Boot tops must be above the ankles.
- Cold Weather Footwear-Insulated type such as "sorrel" or "packs".
- Foot Protection-Metal or Fiberglass foot guards (also know as "toe caps" or "shoe caps".
- Eye Protection (Required when employee prefers to use prescription or superior quality eye protection in lieu of Department furnished eye protection.)-Eye protection must meet the following standards: OSHA 1910.133, ANSI Z87.1-1989, Side Protection or Shields.

The Area Maintenance Bureau Chief or designee may approve any item not on this list for reimbursement. If the Area Maintenance Bureau Chief approves a safety item, he/she will forward a description of the item to the Administrator-Human Resources for inclusion on the statewide list. This list will be updated as necessary.

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2.9 Employee Assistance Program (EAP)

Another benefit of the state health insurance is the Employee Assistance Program (EAP). The program is intended to help employees and their families in dealing with personal problems. EAP offers confidential counseling services. Short-term counseling (up to four visits) is provided free of charge. A pamphlet that describes the EAP is available through the District Personnel Specialist or through the Employee Benefits Bureau. Call 1-800-833-3031 seven days per week for crisis counseling.

2.10 Reference

Montana Operations Manual, Personnel Policies and Procedures Manual, Volume III
Montana State Employee Handbook 2000
Workman's Compensation Information Pamphlet
Montana Public Employee Retirement System Handbook
State of Montana Employee Assistance Program and Mental Health/Chemical Dependency Managed Care Program Pamphlet
Agreement Between The State of Montana and Public Employees Craft Council
Agreement Between the State of Montana and the American Federation of State County and Municipal Employees
MDT Accounting Manual