

# Understanding Leave of Absence and Furlough

## How Service Accrues

A PERS permanent full-time member (those who regularly work 30 or more hours per week) earns a day of service credit for each day they are actively employed in a PERS-covered position. This includes holidays or regularly scheduled days off (RDO), as long as they are in pay status the day before and the day after the holiday or RDO.

A PERS part-time member (those who regularly work at least 15 hours per week but less than 30 hours per week) receives credit for the number of hours they work. A total of 1,560 hours must be earned to receive a year of service credit. However, service accrued for a stated period of part-time service may not exceed the full-time equivalent.

## Working a Reduced Work Week

Whether you work a reduced work day or work fewer days in the week, if you are regularly scheduled to work 30 or more hours a week you will continue to accrue service as a full-time member. However, if you are in the defined benefit plan this reduction to your work week may have an impact on the Average Monthly Salary (AMS) used to calculate your retirement benefit. For Tiers I and II, and for peace officer/firefighters the AMS is based on the three high consecutive salaries. For Tier III, the AMS is based on the high five consecutive salaries. (All tiers must work at least 115 days in the last year of employment for that year's salary to be considered one of the high salaries.)

If you reduce your work schedule to regularly work less than 30 hours per week, you will be a part-time member and your service will be calculated accordingly.

## Taking a Leave of Absence or Furlough From Your Position

A leave of absence **with** pay authorized by your employer is not considered an interruption or break in service. If you are a permanent part-time employee, the credited service granted is proportionate to that which would have been earned as a permanent full-time employee.

For a full-time member, a leave of absence **without** pay (LWOP) that does not exceed 10 accumulated days in any calendar year is not considered an interruption or break in service. However, if the leave of absence exceeds 10 accumulated days, whether taken consecutively or through intermittent hours scattered throughout the calendar year, your service credit for that year will be reduced by the equivalent number of days you were on leave of absence without pay.

A part-time member has their service calculated on actual hours in pay status; therefore any reduction in hours paid would reduce the service credit earned.

Remember, any period of leave of absence without pay could adversely impact your average monthly salary calculation if it occurs in one of your high earnings years.

## Claiming Service From a Leave of Absence or Furlough

You cannot claim service from a leave of absence or furlough unless the leave of absence without pay was because you were unable to work due to an on-the-job injury or occupational illness for which you were receiving benefits under the provisions of workers' compensation, or if the leave of absence was due to a call to active duty service in the armed forces.

## Leave of Absence While Receiving Workers' Compensation

If you did have a leave of absence that exceeded 10 days while you were receiving Workers' Compensation benefits you may claim the service by completing a Workers' Compensation and LWOP claim and Verification form available online at [drb.alaska.gov](http://drb.alaska.gov), by calling the Member Education Center at (907) 465-4460 M-F between 10 a.m. and 3:30 p.m., or by email at [doa.drb.mscc@alaska.gov](mailto:doa.drb.mscc@alaska.gov).

An indebtedness will be established for the contributions that you would have made had you remained an active employee during the period of leave of absence without pay for Workers' Compensation, less an amount equal to contributions that would have been made for the first 10 days of leave of absence without pay. Interest will begin to accrue on the day you return to work or terminate employment.

## Leave of Absence For a Call to Active Duty

If you are voluntarily or involuntarily called to active duty in the armed forces of the United States while in the employ of the employer and return to work with the employer within 90 days after the date of discharge from the military service, you are not required to make retroactive contributions to receive credited service for the period of leave of absence. You must have been discharged in good standing in order to claim the service. To claim the service, please submit a written request, along with a copy of your discharge papers or a copy of the active duty orders showing the date of release, to the address below.

### What Tier Am I?

Members who first entered a PERS position and were making contributions:

- **Tier I** – Before 7/1/86.
- **Tier II** – On or after 7/1/86, but before 7/1/96.
- **Tier III** – On or after 7/1/96, but before 7/1/06.

The information included here only applies to Tiers I, II, and III.

### Alaska Division of Retirement and Benefits

6th Floor, State Office Building | 333 Willoughby Ave. | P.O. Box 110203 | Juneau, AK 99811-0203

### Member Education Center

Hours: Monday-Thursday 8:30 a.m. to 4 p.m. | Friday 8:30 a.m. to 3 p.m.

Toll-Free: (800) 821-2251 | In Juneau: (907) 465-4460 | Fax: (907) 465-4668 | TDD: (907) 465-2805

[doa.drb.mscc@alaska.gov](mailto:doa.drb.mscc@alaska.gov)

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