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EXECUTIVE ORDER NO. 31

MONETARY LUMP SUM PAYMENT FOR TERMINAL LEAVE ALLOWANCES TO EMPLOYEES WHO ARE TERMINATED, LAID OFF OR RETIRED DUE TO REDUCTION OF STAFF FOR ECONOMIC REASONS.

Whereas, Certain City employees are entitled to receive terminal leave which is granted prior to final separation by termination, lay-off or retirement; and

Whereas, The economic situation of the City requires that there be a reduction in the workforce of the City; and

Whereas, New York State Civil Service Law specifies the order in which lay-offs must be made; and

Whereas, The laws governing retirements require that certain employees be retired upon reaching age 65 unless extensions of service are granted, and budgetary considerations do not allow the City to grant such extensions in many cases; and

Whereas, the operation of such laws and the City's fiscal situation require that employees who are terminated, laid off or retired be removed from the payroll on or before a specific date, and certain employees will be unable to use the granted terminal leave allowance to which they are entitled by the required date;

Now, therefore, by the power vested in me as Mayor of The City of New York, it is hereby ordered that:

Section 1. Monetary lump sum payments for terminal leave granted prior to final separation or retirement for employees and officers of The City of New York who are unable to use all or part of such leave prior to termination, lay-off or retirement from City service due to economic reasons are hereby authorized for those employees and officers who are entitled to such leave by the rules, regulations and/or orders governing them.

§ 2. Such monetary lump sum payment for terminal leave shall be payable at the basic salary rate earnable by the employee immediately prior to the date of termination, lay-off or retirement. However, if the employee would have received a salary increase had he remained in City service for the period of time covered by his terminal leave, the monetary lump sum payment for terminal leave, to the extent that it is based on a period subsequent to the effective date of such increase, shall be payable at the increased basic salary rate.

§ 3. The monetary value so paid added to any additional lump sum received for accrued annual leave and/or compensatory time shall not exceed the basic salary rate which would have been earnable in the twelve month period following termination had the employee remained in City service.

§ 4. The monetary value so payable shall not increase the salary base used to determine a retirement allowance; however, where there is an election (if permitted by a resolution of the board of trustees of the appropriate retirement system) to have the retirement allowance begin after the effective date of retirement and at the time any accrued leave and/or compensatory time and terminal leave would have ordinarily expired under normal circumstances, the salary base used to determine a retirement allowance shall not exceed the amount which such salary base would equal if the employee had taken any accrued annual leave and/or compensatory time and terminal leave under normal circumstances with the payment for annual leave and/or compensatory time limited to the rate of pay in effect immediately prior to the date of retirement.

§ 5. This Order shall not apply to employees and officers covered by the Managerial and/or Executive Pay Plans whose time and leave benefits are governed by Mayor's Personnel Order No. 16/74 of May 10, 1974.

§ 6. Such lump sum payments shall be payable upon the request of the agency head subject to written approval of the Director of Management and Budget.

§ 7. The Director of Management and Budget of The City of New York is hereby designated and empowered to transfer such necessary funds that may be required in accordance with Section 124-a or b of the City Charter for the payment to such terminated, laid off or retired employees of the monetary value of terminal leave.

§ 8. The Comptroller of The City of New York is hereby requested to make such payments to the affected employees.

§ 9. The Comptroller of The City of New York, the Director of Management and Budget, the City Personnel Director and all other officers or agencies of the City having any jurisdiction over the matters provided in this Order are hereby requested, pursuant to the powers vested in them to take the steps necessary to effectuate the provisions of this Order.

§ 10. This Order shall take effect immediately.

Dated: June 24, 1975.

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ABRAHAM D. BEAME, Mayor.