Memorandum

New York City Transit

Date April 27, 2017

To All Managers, Non-Represented Employees (Career & Salary and Operating), MS II"s, TWU Computer Unit and Organization of Staff Analyst (OSA) Employees

From Patricia A. Lodge, Vice President, Human Resources Patricia A. Lodge

Re **2017 Vacation Buy-Back Program**

I am pleased to announce that a special program has been approved which gives Managers, Non-Represented (Career & Salary and Operating), MS II's, TWU Computer Unit and OSA represented employees the opportunity to cash-out up to ten (10) days of their vacation time. **Please note, in order to be eligible to participate in this program employees will be required to maintain a minimum balance of 10 vacation days above their request for the cash out. In addition, employees with vacation balances in excess of the maximum carryover allowed per policy are required to participate in the program**. Employees who elect to participate in this program will be paid in a **non-pensionable** lump sum. **The deadline for enrolling in this program is Friday, June 9, 2017.**

In making your decision to cash-out vacation time, it is important that you determine if your current vacation balance exceeds the carryover provisions of the All-Agency Vacation/Personal Leave Policy, plus the additional 10-day limit cited in the attached "Vacation Carryover Program-2017" memo dated March 29, 2017. Those employees who need to reduce their outstanding vacation balances are strongly encouraged to take advantage of this program as well as plan their future use of vacation accordingly. In addition, please be reminded that in the event of termination of service with the MTA, the maximum payment of unused vacation balances is governed by the all-agency policy, which is as follows:

Years of Service	Limit
1-7	40 days
8-14	48 days
15 or more	52 days

Individuals whose timesheets are not up to date and approved will not be authorized for the vacation buy-back program until the timesheets are approved. **Please ensure that any outstanding timesheets are approved and submitted by Friday, June 9, 2017.**

In order to comply with IRS regulations, MTA Payroll will apply the IRS supplemental rate to calculate your withholdings for the vacation cash-out check. The supplemental rates are as follows: Federal tax: 25%; FICA: 6.2%; Medicare: 1.45%; NY State tax: 9.62%; NYC tax: 4.25%. If elected, the payment will be subject to applicable deferred compensation withholdings.

If you wish to participate in the Vacation Buy-back Program, please complete the appropriate Vacation Buy-back Request Form specifying the number of days (full days only) to be cashed out. Clicking the links below will open the forms in Internet Explorer and allow you to type in your information. You must then **print** the completed form and **sign and date it.** Employees who work for one agency but are paid from another should use the link and form of the agency they are paid from.

Employees on the payroll of NYCT/MaBSTOA – Managers, Non-Represented (Career & Salary), Organization of Staff Analysts and TWU Computer Unit (Kronos Only):
Submit **HR-BEN-405E 2017 Vacation Buy-Back – NYCT/MaBSTOA**
According to the instructions printed on the form. The request must be submitted by June 9, 2017.

Employees on the payroll of SIR:
Submit **HR-BEN-405-2017 Vacation Buy-Back Request Form - SIR**
To your timekeeper the same way you regularly submit your timesheet. The request must be submitted by June 9, 2017.

Employees on the payroll of MTA Bus:
Submit **HR-BEN-405D-2017 Vacation Buy-Back Request Form - MTA Bus**
according to the instruction printed on the form. The request must be submitted by June 9, 2017.

Non-Represented Operating Supervisors, whose time is maintained in UTS or ATS, should contact their Departmental Timekeeping Unit to request the cash-out of vacation time.

Employees on the payroll of MTA Headquarters, Capital Construction, and the BSC:
Submit **HR-BEN-404-2017 Vacation Buy-Back Request Form – MTA HQ Payroll Employees**
to the Business Service Center by email (scan, sign and date the form and send to: bscservice@mtabsc.org), or submit the signed form via fax to (212) 852-8700 by June 9, 2017.

Employees on the payroll of LIRR:
Submit **HR-BEN-405A-2017 Vacation Buy-Back Request Form – MTA Long Island Rail Road**
according to the instructions printed on the form. The request must be submitted by June 9, 2017.

Employees on the payroll of Metro-North:
Submit **HR-BEN-405B 2017 Vacation Buy-Back Request Form – MTA Metro-North**
according to the instruction printed on the form. The request must be submitted by June 9, 2017.

Employees on the payroll of Bridges & Tunnels:
Submit **HR-BEN-405C 2017 Vacation Buy-Back for – MTA Bridges and Tunnels**
to your timekeeper the same way you regularly submit your timesheet. The request must be submitted by June 9, 2017.

Vacation buy-back payments will be issued in a separate check on the payroll dates listed below. If you have direct deposit, this payment will be credited to your account.

2017 Vacation Buy-Back Payroll Schedule		
Agency	**Paycheck Date**	
LIRR-WK9	Thursday	July 13, 2017
LIRR-WK3	Friday	July 14, 2017
MABSTOA – C&S	Thursday	July 13, 2017
MABSTOA – Op Sup	Thursday	July 13, 2017
MABSTOA – Managers	Thursday	July 20, 2017
MTA BUS	Wednesday	July 19, 2017
MTA HQ	Wednesday	July 12, 2017
MNR	Thursday	July 20, 2017
NYCT – C&S	Thursday	July 13, 2017
NYCT – Op Sup	Thursday	July 13, 2017
NYCT – Managers	Thursday	July 20, 2017
SIRTOA	Thursday	July 13, 2017
TBTA	Wednesday	July 19, 2017

Forms for the Vacation Buy-back Program will also be available on the BSC My MTA Portal (www.mymta.info) in the All BSC Forms section. If you have any questions about the Vacation Buy-back Program, please send an email to bscservice@mtabsc.org or call the BSC at 646-376-0123.

Deferred Compensation Election
If you are an active participant in the 401(k) and/or 457 Plans or 401(k) and/or 457 Roth Plans, you may elect to defer all or part of your vacation cash-out into your Deferred Compensation Plan. Please keep in mind your normal 401k/457 deferral election will automatically come out of this check unless you make a change on the BSC Self-Service Portal.

If you do not want any deferrals withheld from this check or you wish to defer an amount other than your normal deferral, you will have to enter the change on the BSC Self-Service Portal at www.mymta.info by following these steps:

1. Sign on with your BSC ID and password and click on My Tax Favored Programs.
2. Select the Deferred Compensation Election link and click on the drop down box Form Type to elect Vacation Buy-Back. Next follow the onscreen instructions to enter a percentage from 0 to 100%. **Note: Deduction must be a percentage in increments of 5% and all fields must be completed.**
3. Please be sure to hit Save, and this information will automatically be sent to the BSC.
4. You may print the form for your records but this does not need to be sent to the BSC.

All deferral elections must be submitted online by June 9, 2017. No late elections will be accepted and no checks will be re-issued. If you want to change your election before the deadline, you may enter another election and the latest election will be used for the Vacation Buy-back payment. For assistance with Portal sign-on please contact the BSC at 646-376-0123.

You may defer any amount up to 100% of your payment. But if you defer 100%, certain required deductions (i.e., FICA and Medicare taxes, federal taxes, state and city taxes and liens, etc.) must be made from the deferral; therefore, the final deferral percentage will result in less than 100%. The system will not allow 100% deferral because of the required tax withholdings.

As a participant in the 401(k) and/or 457 Plans or 401(k) and/or 457 Roth Plans, your maximum annual tax-deferred contribution is $18,000 if you are under age 50. If you are age 50 or will be age 50 by year-end, your maximum annual contribution is $24,000. If you are a 457 Plan participant participating in "3- YEAR CATCH- UP," your maximum contribution is $36,000.

If you have never participated in the program, now may be a good time to enroll in the Deferred Compensation Plan. Please log onto the Prudential website www.prudential.com/mta to enroll, or call Prudential at 877-PLN-4MTA (877-756-4682) Monday through Friday, from 8 a.m. to 9 p.m. Prudential representatives are also available at different locations or you may set up a meeting with one of them. Log into the prudential website and click on Onsite Help to contact a Prudential representative.

Attachment

cc: C. Cipriano

Memorandum

New York City Transit

Date March 29, 2017

To All Managers and Non-Represented (Career & Salary and Operating) Employees

From Patricia A. Lodge, Vice President, Human Resources Patricia A. Lodge

Re **Vacation Carryover Program - 2017**

Over the past year, New York City Transit (NYCT) has experienced staffing constraints related to weather events and increased attrition in key managerial/supervisory positions. Therefore, I am authorized to announce that Managers and Non-Represented (Career & Salary and Operating) employees will be allowed to carryover up to ten (10) days of excess vacation that they will be unable to use in the 2016-2017 year ending April 30, 2017. The carryover of time will allow such employees to have a maximum current vacation bank on May 1, 2017 of 62 days (37 carryover + 25 days accrual credit). This accommodation applies to the 2017-2018 vacation year.

Employees who possess excess vacation time above the 10-day limit cited above must also deplete the overage by April 30, 2018. The Timekeeping Unit will contact departments with employees who fall into this category to request a schedule that outlines how the excess time will be utilized over the 2017-2018 vacation year. Failure to submit schedules will result in forfeiture of any remaining time for Managers, and the conversion of remaining time into sick leave for Non-Managers.

Employees are strongly encouraged to use vacation time during the allotted timeframe to avoid carrying balances in excess of the vacation bank limit and to avoid forfeiture or conversion of time. As with all leave, use of vacation time is subject to supervisory approval and operational circumstances. Therefore, to ensure appropriate coverage, employees should make every effort to provide as much advanced notice as possible when requesting days off.

If you have any questions concerning the Vacation Carryover Program, please contact the Timekeeping Unit at 646-252-6499.

cc: D. Irick
T. Mulligan
N. Renek
W. Vazoulas