**Cashouts and Buydowns**

A vacation cashout or buydown is entered in HRMS on the Absence Event page. Note that effective 7/1/2019, Minnesota State Retirement System (MSRS) instructed their participating employers that up to 40 hours of vacation and compensatory time paid to employees in cash rather than time off should be included in their MSRS-eligible compensation each fiscal year. This process will determine the eligible hours and create the earnings codes that contribute to the plan.

Enter a cashout or buydown by navigating to: MyU>KeyLinks> PeopleSoft> Human Resources> Main Menu> Global Payroll & Absence Mgmt> Payee Data> Maintain Absences> Absence Event.

**Cashouts**

At the unit’s discretion, an employee may cash out up to one week of vacation leave every fiscal year. Consult the governing documents per employment groups for eligibility and for employees to check eligibility.

1. Enter the Empl ID of the employee in Search Criteria.
2. Update the From and Through date fields to cover the dates of the absence event.
3. Click < Refresh>.
4. Click the plus icon to add an absence take row if needed.
5. Click the lookup icon to view the absence take options.
6. Select “Vacation Cashout” from the Absence Take field.
7. Enter the Begin Date and End Date of the cashout (these dates should be the same). Note: Cashout dates cannot be on a work day. Select a non-workday.
8. Enter the total hours to cash out in the Partial Hours field. (eg., 40.00)
9. Click <Details>.
10. Select the lookup icon in the Absence Reason field.
11. Select “VCS” for the absence reason.
Cashouts and Buydowns (cont.)

12. Select the **Manager Approved** checkbox.

![Absence Event Input Detail](image)

13. Click <OK>.

14. Click <Save>

The cashout will be processed during the payroll period of the begin date and end date of the absence event.

**Buydowns**

If an employee is about to reach the maximum amount of vacation leave they’re allowed to accrue, they may have the ability to receive pay equal to one week of vacation leave. The amount of time that can be exchanged must be proportionate to the appointment percentage.

For example, if you have a 75-percent appointment, you cannot receive more than 30 hours of vacation time. To trigger this buydown of leave, a supervisor should have denied a leave request from the employee.

1. Enter the Empl ID of the employee in **Search Criteria**.
2. Update the **From** and **Through** date fields to cover the dates of the absence event.
3. Click <Refresh>.
4. Click the plus icon to add an absence take row if needed.
5. Click the lookup icon to view the absence take options.
6. Select “Vacation Buydown” from the **Absence Take** field.
7. Enter the **Begin Date** and **End Date** of the cashout (these dates should be the same). Note: Buydown dates cannot be on a work day. Select a non-workday.
Cashouts and Buydowns (cont.)

8. Enter the total hours to cash out in the Partial Hours field. (eg., 40.00).

13. Click <OK>.

14. Click <Save>.

The buydown will be processed during the payroll period of the begin date and end date of the absence event.