

## SAM—PAYROLLS

### RECOVERY OF LUMP SUM PAYMENTS

8596

(Revised and Renumbered from 8599 10/88)

Upon separation from State Service, with no fault on the part of the employee, a person may be entitled to a lump sum payment for annual vacation and compensating time off, (reference Government Code Section [19839](#)). If a person receives a lump sum separation payment and subsequently returns to State service, the person may repurchase the vacation and/or compensating time off for which payment has been received covering the period that exceeds the person's break in service. The employee will then have the balance of vacation and/or leave credit restored to what they would have been if the employee had remained in State Service and taken time off.

Repayments will be recovered directly from the employee. (See SAM Section 8593.1.) The amount of such repayments received by agencies will be remitted to the State Treasury to the credit of the State Payroll Revolving Fund. Subsequently, it will be transferred by the [State Controller's Office](#) to the fund and the appropriation from which the lump sum payment was made and will be accounted as abatement.