



Policy Chapter: Chapter 5 Human Resources

Policy Number and Title: 05.055 Vacation Leave

I. Policy Statement

The purpose of this policy is to establish university policy for vacation leave for regular staff employees. UNT recognizes the need for staff employees to have paid vacation time off (also referred to as annual leave). Regular staff members are entitled to vacation leave as allowed by the State of Texas.

II. Application of Policy

Regular Staff

III. Policy Definitions

A. Accrual

“Accrual,” in this policy, means vacation time earned each month.

B. Effective State Service Date

“Effective state service date,” in this policy, means the date used to determine the amount of the employee's lifetime service credit. This date is derived by

1. adding together all days an employee served in all previous periods of employment with the state;
2. subtracting the number of days in which the employee was on leave without pay for any full calendar month from the total number of days calculated in paragraph 1 directly above of this definition; and
3. counting backward from the first day of the employee's current continuous employment with the state using the total number of days calculated in paragraph 2 directly above.

C. Regular Staff

“Regular staff,” in this policy, means an employee who is scheduled to work at least 20 hours per week for a period of at least 4 ½ continuous months and is not employed in a position for which the employee is required to be a student as a condition of the employment.

D. Separation

“Separation,” in this policy, includes, but is not limited to:

1. leaving one state agency or institution of higher education to work for another, provided at least one work day passes between those employments; or
2. moving from a position that accrues vacation leave to another position that does not accrue vacation leave, if there is an agreement to pay for the employee's accrued balance of vacation.

E. State Service

“State service,” in this policy, means all employment with the State of Texas, including full-time or part-time faculty and staff at any State of Texas agency or institution of higher education, legislative service, or position held in a state-wide elected office. Service for an institution of higher education in a capacity which requires the employee to be a student as a condition of employment is considered state service. However, any service in a public school system or public community college is not considered state service. State service does not include contract work that did not have federal or state taxes deducted from the earnings.

IV. Policy Responsibilities

A. Accruals

Vacation entitlement accrues as follows.

1. A regular staff member accrues vacation leave for each month of employment, at the rates specified in section IV.A.3. below, beginning on the first day of employment and on the first calendar day of each succeeding month, as long as the employee is in a paid status. Vacation may not be utilized until after the staff member has completed six (6) months of continuous (unbroken) state service in any capacity at any state agency or institution of higher education during any period of time. All previous state service must be verified by Human Resources.
2. Regular full-time staff members earn vacation leave entitlements for each month or fraction of a month of paid employment at the applicable rate in Table 1 below.
3. Regular part-time staff members who are at least 0.50 FTE (scheduled to work at least 20 hours per week) but less than full-time earn vacation leave entitlements at the percentage of time employed multiplied by the applicable “hours accrued per month for full-time employment” in Table 1 for each month or fraction of a month of paid employment. For example, a 50 percent staff member with under two (2) years of total State service employment will earn four hours monthly (.50 x 8 = 4).

Table 1.

Total State Employment	Hours Accrued Per Month for Full-Time Employment	Maximum Hours to Carry Forward from One Fiscal Year to Next Fiscal Year for a Full-time Employee
0 but less than 2 years (0 to 24 months)	8 hours	180 hours
2 years but less than 5 years (25 to 60 months)	9 hours	244 hours

5 years but less than 10 years (61 to 120 months)	10 hours	268 hours
10 years but less than 15 years (121 to 180 months)	11 hours	292 hours
15 years but less than 20 years (181 to 240 months)	13 hours	340 hours
20 years but less than 25 years (241 to 300 months)	15 hours	388 hours
25 years but less than 30 years (301 to 360 months)	17 hours	436 hours
30 years but less than 35 years (361 to 420 months)	19 hours	484 hours
35 years and over (421 months and up)	21 hours	532 hours

B. Timing of Accruals

If an employee's effective state service date occurs on the first calendar day of the month, the employee begins to accrue vacation leave at a higher rate on the first calendar day of the appropriate month. Otherwise, the employee begins to accrue the higher rate on the first calendar day of the month following the effective state service date.

C. Accruals While on Leave

1. If an employee goes on paid leave (e.g., vacation, sick, compensatory leave, etc.) following their last day of duty, does not return to duty and subsequently separates (terminates) from state employment, the employee is not entitled to leave accruals while on such paid leave for any calendar month(s) following the month in which the last day of duty occurs.
2. If an employee goes on paid leave which extends into a subsequent month(s) and later returns to duty, upon return, the employee is entitled to vacation accruals for the month(s) the employee was on paid leave. These accruals should be credited to the employee immediately upon return to duty, and the employee may use them after such return.
3. An employee who is on paid leave on the first workday of a month may not take vacation leave accrued for that month until the employee has returned to duty.

4. Staff members who return to state employment following an extended military leave are entitled to have their time on active duty credited toward total state service for vacation leave accrual purposes. However, such individuals do not accrue vacation leave hours while on active duty and not in the employ of the state.

D. Leave Utilized

1. In computing vacation time taken, holidays falling during an individual's vacation period will not be charged against vacation leave. Illness occurring during a vacation period will be charged against sick leave and will not be charged against vacation leave if the staff member presents a physician's statement or other acceptable verification. However, sick leave cannot be used during a period when a separated employee is extended on the payroll to expend accrued vacation leave.
2. Accrued vacation leave must be utilized prior to removal of a staff member from active pay status for a leave without pay, except if the leave without pay is for Workers' Compensation injury or illness, disciplinary suspensions, or active military leave.
3. Vacation leave taken must be recorded in hours. When charging for time less than an hour, vacation leave taken must be rounded off to tenths of an hour, i.e., six (6) minutes = 0.1 hours, 12 minutes = 0.2 hours, 18 minutes = 0.3 hours, etc.

E. Maximum Accrual and Conversion of Lapsed Vacation Leave

Supervisors should encourage staff members to take vacation leave during the fiscal year in which it is accrued. A staff member may carry forward from one fiscal year to the next fiscal year an amount not to exceed the applicable maximum rate as shown in Table 1. The maximum carry-forward for regular part-time staff members will be on a proportionate basis. Any vacation hours in excess of the maximum carry-forward at the end of each fiscal year shall revert to the employee's sick leave balance.

F. Scheduling of Leave

Supervisors shall schedule vacations in accordance with department needs and to ensure the presence of an adequate work force at all times. Staff member preferences should be given as much consideration as possible. Departments which experience slack periods may require that vacations be taken during such periods.

G. Leave Approval

Vacation leave must be requested in advance and approved by the designated department official.

H. Advancing Vacation

Advancing vacation leave in excess of a staff member's actual total accrued (unused) vacation balance is not permissible. For example, an employee cannot take a week (40 hours) off for vacation until 40 hours have been accrued.

I. Transfers

A staff member who transfers to the University from another agency or institution of higher education of the State of Texas will be given credit for any unused balance of accumulated vacation leave, provided there is no interruption in state service; i.e., the individual is placed on the payroll of the University on the first working day succeeding the day separated from the previous agency or institution. Movement from one department to another within the University is not considered a transfer for purposes of this policy as the employee has not separated from the University.

J. Vacation Leave and Workers' Compensation

An employee is not required but may elect to utilize vacation leave before utilizing weekly payments of workers' compensation. This election may be made by the employee when they complete the appropriate forms that are outlined in UNT Policy 15.005, Workers' Compensation Program.

K. Vacation Leave Upon Termination

1. Lump Sum Payout

A regular staff member who separates from the University after having completed six (6) months of continuous state service at any point in time is entitled to be paid for all vacation time fully accrued as of the date of their last day of duty, unless the individual has been reemployed by a state agency or institution of higher education without a break in state service to a position which accrues vacation time.

2. Extending on Payroll Using Vacation Accruals

Employees who voluntarily separate from employment may request to be extended on payroll through the end of the current month using accrued vacation. Any remaining balance shall be paid as a lump sum.

3. Exceptions

In unusual circumstances or in the case of retirement, Human Resources may grant approval to extend an employee on payroll past the end of the current month. A terminated employee who Human Resources approves for extension of accrued vacation time into another month will not accrue additional vacation while remaining on the payroll.

4. Lump Sum Payment

A lump sum payment to an individual for accrued vacation time constitutes wages and is subject to Social Security and Federal Withholding Tax but is not subject to retirement deductions. A terminating or retiring employee is not entitled to receive longevity or hazardous duty pay when the employee is compensated for accrued vacation leave in a lump sum. The lump sum payment is calculated to include any paid holidays (as

approved by the UNT System Board of Regents) which are scheduled to fall within the period after separation and during which the employee could have used the time if they had been extended on payroll until their leave was exhausted.

5. **Forfeiture of Accrued Leave**

Staff members who have not completed six (6) months of continuous state service at the time of separation will not be paid for any accrued vacation time and shall forfeit all accrued vacation leave.

L. Vacation Leave Upon Reemployment

1. An employee who separates from another state agency or institution of higher education and, following a break in service, becomes employed by the University within the same calendar month in which separated, is not entitled to accrue any additional vacation leave for that month.
2. An employee shall have their previous unused vacation restored if reemployed by the University in a vacation-eligible position as a direct transfer with no break in service from another state agency or institution of higher education.

M. Vacation Leave for Personnel Paid from Sponsored Projects

Each sponsored project director/principal investigator is responsible for ensuring that all vacation time accrued by project personnel is taken prior to termination of the project. If a project director/principal investigator allows a project to end with accrued vacation following, the first choice of funds to cover such an obligation will be discretionary funds controlled by that project director/principal investigator.

N. Vacation Leave upon Reemployment of Retirees

Vacation accruals for return-to-work retirees are based on retirement and rehire dates. An employee returning to state employment who retired from state employment on or after June 1, 2005, and receives a state retirement annuity, accrues vacation leave based only on the employee's length of service earned after their retirement date. Otherwise, the return-to-work retiree accrues vacation leave based on total state service.

V. References and Cross-References

[Texas Government Code §§ 661.061-661.068](#)

[Texas Government Code §§ 661.151-661.154](#)

[Texas Labor Code § 401](#)

[UNT Policy 15.005, Workers' Compensation Insurance](#)

VI. Revision History

Policy Contact:	Asst VC & Chief HR Officer
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