

03.613 Vacation Leave.

1. Policy and Eligibility. Regular staff members of the University of North Texas System are entitled to a vacation leave allowance within the standards of the Texas Government Code.
2. Rate of Accrual and Accrual Computations. Vacation entitlement accrues as follows:
 - a. Vacation leave entitlement accrues from the first day of employment and terminates on the last day of duty. A staff member is entitled to be credited for one month's vacation leave for each month of employment beginning on the first day of employment and on the first calendar day of each succeeding month. Vacation with pay may not be granted until the staff member has had six (6) months of continuous (unbroken) State employment in any capacity; however, vacation credit will be accrued during that six month period.¹
 - b. Regular full-time members earn vacation leave entitlements for each month or fraction of a month of paid employment at the applicable rate cited below.²

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

- c. If an employee's state employment anniversary date (also referred to as effective service date) occurs on the first calendar day of the month, the employee begins to accrue vacation leave at a higher rate in accordance with Section 2.2 above on the first calendar day of the appropriate month. Otherwise, the employee begins to accrue vacation leave at the higher rate on the first calendar day of the month following the effective service date. An employee who begins working on the first workday of a month in a position that accrues vacation leave is considered to have begun working on the first calendar day of the month for the purposes of this subsection.
- d. Regular part-time staff members earn vacation entitlements at the percentage of time employed times the applicable "hours accrued each month" for each month or fraction of a month of paid employment.³ For example, a fifty (50) percent staff member with under two (2) years of total State employment will earn three and one-half hours monthly ($.50 \times 7 = 3.5$).
- e. If an employee goes on paid leave (e.g. vacation, sick, or compensatory leave) following his/her 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. However, 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 and sick leave 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.⁴
- f. 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.
- g. State service is defined to include all eligible service to the State of Texas including part-time, faculty, or legislative service. Time need not be continuous. All previous State service must be verified by the UNT Human Resources Department. 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.⁵ However, any service in a public school system of Texas is not

considered State service.⁶ Also, any service in a public junior college is not considered State service.⁷

- h. Staff members who return to State employment following an extended military leave of absence without pay are entitled to have their time on active duty credited toward total State employment for vacation leave earning purposes. However, such individuals do not accrue vacation leave while on active duty and not in the employ of the State.⁸
 - i. Staff members reach a new “total State employment” earning category after they have completed the necessary months of service required to start earning at the new rate.⁹
3. Vacation Leave Utilized. 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, twelve (12) minutes = 0.2 hours, eighteen (18) minutes = 0.3 hours, etc.

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 period when a terminated employee is extended on the payroll to expend accrued vacation leave.

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 illness¹⁰ or if the employee is receiving a temporary disability benefit payment through the Uniform Group Insurance Plan.¹¹

4. Maximum Accrual and Conversion of Lapsed Vacation Leave. Normally, supervisors should encourage staff members to take vacation leave during the fiscal year in which it is earned. Beginning September 1, 1977, 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 the previous table. The maximum carry-forward for regular part-time staff members will be on a proportionate basis. As of September 1, 1992, all lapsed vacation reverts to the staff member’s sick leave balance.¹²

5. Scheduling of Leave. Directors and supervisors shall schedule vacations in accordance with department needs and to insure 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.
6. Vacation Leave Approval. Vacation leave must be requested in advance and approved by the designated department official. Prior to taking vacation leave, the staff member must complete an Application for Approval of Leave/Overtime Form UPO-15 and submit it to the department official with the designated authority to approve leave.¹³ The department official who has the authority to approve leave will be the head of the department unless otherwise directed by the Vice Chancellor or the Chancellor.

The departmental time clerk should post the vacation leave taken to the staff member's departmental Time Card Form UPO-24 after verifying its accuracy. Near the end of each month the UNT Human Resources Department will furnish each department a Vacation and Sick Leave Hours Utilized Report. All vacation leave taken by a staff member during the month must be reported on the Vacation and Sick Leave Hours Utilized Report, and the report must be returned to the UNT Human Resources Department.¹⁴

7. Transfers. A staff member who transfers to the System from another agency of the State of Texas, or from one department of the System to another, will be given credit by the System or department for any unused balance of accumulated vacation leave, provided there is no interruption in service; i.e., the individual is placed on the payroll of the System or department in the first working day succeeding the day separated from the previous agency or department.¹⁵ This provision also applies to individuals transferring to and from grant accounts. The UNT Human Resources Department will request verification of previous State service upon notification by the staff member; however, the staff member is ultimately responsible for securing transfer credit from his/her former employer.
8. Vacation Leave upon Termination. A staff member who resigns, is dismissed or is separated from the System after six (6) months of continuous state employment is entitled to be paid for all vacation time fully accrued as of the date of his last day of duty, providing the individual has not been reemployed by a state agency or institution of higher education with no break in state service to a position which accrues vacation time.¹⁶

- a. Payment for all vacation time duly accrued as of the separation may be made by extending the date the staff member is to be removed from the payroll until the vacation time is expended; by a lump sum payment; or by a combination of the two methods. Extension of salaried pay is limited to the current month only (the last month in which the employee physically worked) unless, in unusual circumstances, approval is granted by the UNT Assistant Vice President of Human Resources to extend salaried status into another month. Any questions concerning payment of vacation time at termination should be directed to the UNT Human Resources Department.
 - b. 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.¹⁷ A terminating or retiring employee is not entitled to receive longevity or hazardous duty pay when he is compensated for his accrued vacation leave in a lump sum.¹⁸ The lump sum payment is calculated to include any paid holidays (as established by the Texas Government Code) which are scheduled to fall within the period after separation and during which the employee could have used the time.¹⁹
 - c. Staff members separated during their first six (6) months of continuous state employment will not be paid for any accrued vacation time.²⁰ However once an employee completes the six months of continuous (unbroken) State employment requirement, a subsequent break in service followed by reemployment does not necessitate the six month requirement to be met again; such person is eligible to take annual leave as it is accrued upon reemployment, or to be paid for it on termination after reemployment.²¹
 - d. A terminated employee who has been approved by the UNT Assistant Vice President of Human Resources for extension of accrued vacation time into another month will not accrue additional vacation or sick leave while remaining on the payroll.²
9. Status Change. For a staff member who moves from a vacation-eligible position to a non-vacation eligible position such as an hourly appointment the leave must be paid by an extension on the payroll until vacation is expended; or by a lump sum payment; or a combination of both methods.

10. Advanced Vacation. Advanced vacation leave in excess of a staff member's actual total accrued (unused) vacation balance is not permissible. For example, an individual cannot take a week (40 hours) off for vacation until he has actually accrued 40 hours of vacation leave entitlement. Exceptions to this may be made for specified categories of employees to insure consistent work schedules, such as for Food Service employees. Exceptions shall be made only by the Chancellor.
11. Vacation Leave upon Reemployment. An employee who separates from State employment for any reason and who, following a break in service, returns to any State employment within the same calendar month in which separated, shall not upon return be entitled to earn any additional vacation leave for that month in which vacation leave was already earned.²⁴ An employee shall have their previous unused vacation restored if reemployed by the state to a vacation eligible position at UNT within a period of thirty (30) calendar days from the date of separation from a state agency other than an institution of higher education. An employee shall have their previous unused vacation restored if reemployed by the state to a vacation eligible position at UNT System as a direct transfer (no break in service) from another state institution of higher education.²⁵
12. 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 he/she completes the appropriate forms that are outlined in the Workers' Compensation policy.

REFERENCES:

1. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees"
2. Ibid.
3. Ibid
4. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees" and State Auditor's Office Memorandum (Auditor's Interpretation) to Mr. J. M. Mericle, Assistant Deputy, Commissioner for Human Services, Texas Rehabilitation Commission, and RE: Leave Accruals While on Paid Leave, May 8, 1991.
5. AGO No. JM-407, December 23, 1985.
6. AGO No WW-1443.
7. AGO No. M-707, 1970.
8. AGO No. M-886; AGO No. H-941, February 9, 1977.
9. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees"

10. Article 309g, Section 12(a), State Employees Workers Compensation Act.
11. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees"
12. Ibid.
13. Ibid.
14. Ibid.
15. Ibid.
16. Ibid.
17. Comptroller of Public Accounts Memorandum to All State Agencies, and Departments, RE: Payment for accrued Vacation and Sick Leave Redefined for Social Security Purposes, January 26, 1976.
18. Attorney General Opinion No. MW-282, December 1, 1980.
19. Chapter 661.064 Government Code.
20. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees" AGO H-408, September 23, 1974.
21. State Auditor's Letter to Director of Accounting, Office of the Governor, Arthur W. Bernard, Jr., dated August 28, 1978.
22. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees"
23. Texas Government Code, Chapter 661.062, .063 and .064
24. State Auditor's Office Memorandum to file - Personnel Laws and Policies Affecting Classified Employees, Vacation Leave Section, October 21, 1985.
25. Texas Government Code, Chapter 661, Subchapter F, "General Provisions for Vacation Leave for State Employees"