

1. Title

Vacation Leave

2. Policy

Sec. 1 Policy Statement. The University of Texas System Administration will comply with the vacation leave provisions established by the State of Texas.

Sec. 2 Purpose. To provide administration of vacation leave.

Sec. 3 Eligibility. Employees of U. T. System Administration who are appointed at least 20 hours per week for a period of at least four and one-half months and who are not in a position that requires student status as a condition of employment earn vacation leave beginning on the first day of eligible employment and on the first day of each succeeding month thereafter, regardless of whether they are paid on a monthly or hourly basis.

Sec. 4 Leave Accrual and Carryover.

4.1 An eligible full-time employee accrues vacation leave and may carry it forward from one fiscal year to the next in accordance with the schedule set by State law.

Vacation Leave Accrual Rate and Maximum Allowable Carryover

Length of State Service	# Hours Accrued Per Month	Allowable Carryover
Less than 2 years	8	180
At least 2 but less than 5 years	9	244
At least 5 but less than 10 years	10	268
At least 10 but less than 15 years	11	292
At least 15 but less than 20 years	13	340
At least 20 but less than 25 years	15	388
At least 25 but less than 30 years	17	436
At least 30 but less than 35 years	19	484
At least 35 years or more	21	532

4.2 An eligible part-time employee accrues vacation leave on a proportionate basis. The maximum amount of vacation leave a part-time employee may carry forward from one fiscal year to the next is also on a proportionate basis.

- 4.3 Employees are encouraged to use vacation leave during the fiscal year in which it is accrued. All unused accumulated vacation leave that may not be carried forward at the end of a fiscal year will be credited to the employee's sick leave balance on the first day of the next fiscal year.
- 4.4 Credit for vacation leave accrual will be given on the employee's first day of employment and on the first day of each succeeding month thereafter. An employee who works for any part of a calendar month accrues vacation leave for the entire month.
- 4.5 An employee's rate of vacation leave accrual for any given month is based on his or her State employment status on the first day of the month. If an employee's anniversary date falls on the first calendar day of the month, credit for the higher rate of vacation leave accrual is given on that day. Otherwise, the increased vacation leave accrual is given on the first calendar day of the following month.
- 4.6 An employee does not earn vacation leave when in an ineligible status, including when on leave without pay for an entire calendar month.
- 4.7 If an employee is on any type of paid leave that extends into the next month, the employee is not eligible to use leave accruals credited while on paid leave until the employee returns to work.
- 4.8 If an employee is on any type of paid leave that extends into the next month and then subsequently separates from employment before returning to work, the employee is not entitled to leave accruals credited while on paid leave.

**Sec. 5 Entitlement to Vacation Leave.**

- 5.1 An employee may not take vacation leave until he or she has been employed with the State for six continuous months, although vacation leave will be accrued during that period. Continuous employment means the employee is paid a regular State salary for the period. Continuity of employment is not interrupted if the employee is placed on leave without pay for less than one calendar month; but a full calendar month of leave without pay does not count toward State service or vacation accrual.
- 5.2 An employee who has completed six months or more of continuous State employment and then leaves State

employment is entitled to take vacation leave as it is earned upon reemployment in an eligible position.

**Sec. 6 Payment or Transfer of Vacation Leave When an Employee Separates from Employment.**

**6.1** An employee who at any time worked for the State for at least six continuous months and who separates from State employment for any reason is entitled to be paid for the balance of accrued vacation leave as of the date of separation, under the following conditions:

- (a) the employee separates from a position at U. T. System Administration in which vacation leave is granted;
- (b) the employee moves from a position within U. T. System Administration that accrues vacation leave to another internal position that does not accrue vacation leave. U. T. System Administration may agree to pay the employee for the accrued vacation balance. Normally, such payments will be made only under unusual circumstances where the payment is deemed to be in the best interest of U. T. System Administration. A holiday that falls after the date of separation from the position that is vacation leave-eligible is not paid to the employee. When an employee moves to an ineligible position and is not paid vacation leave, the accrued time is frozen until the employee becomes eligible again or separates employment;
- (c) the employee moves from a position at a State agency that accrues vacation leave to a position at another State agency that does not accrue vacation leave. Payment must be made by the last employer if the receiving employer refuses to credit the employee for the balance of the employee's vacation leave as of the date of the move. A holiday that falls after the date of separation from the position that is vacation leave-eligible is not paid to the employee; or
- (d) the employee holds two or more positions and separates from one that accrues vacation leave.

**6.2** An employee may, with the agreement of U. T. System Administration, be allowed to remain on the payroll after the last day worked to use vacation leave in lieu of being paid in a lump

sum. In this circumstance, the employee will continue to receive all compensation and benefits that the employee was receiving on the last day of duty, including paid holidays, longevity, and/or hazardous duty pay. The employee will not receive leave accruals during this period.

- 6.3 An employee who is paid for vacation leave upon separation will be credited for any holiday that falls within the period after the date of separation and the last date of the period in which the employee would have used the leave had the employee remained on the payroll.
- 6.4 Lump sum payments to employees will be computed based on the rate of compensation on the last date of employment. An employee who transfers from an eligible to an ineligible position and then terminates employment will be paid based on the rate of compensation in the eligible position.
- 6.5 Lump sum vacation payments will not include hazardous duty or longevity pay but will include any emoluments received in lieu of pay, such as car or housing allowances.
- 6.6 An employee transferring from one State agency to another without a break in service will have his or her accrued and unused vacation leave balance transferred to the receiving state agency.
- 6.7 In the case of the death of an employee who has an accrued vacation leave balance after six months of continuous employment, his or her estate will be paid for all of the accumulated vacation leave. The payment shall be calculated at the rate of compensation being paid the employee at the time of death.

Sec. 7 Negative Leave Balances. Negative leave balances are not permitted and cannot be carried over from one calendar month to the next. An employee must be placed on leave without pay for any unearned leave taken. Upon separation, any unearned vacation leave taken by the employee will be deducted from the employee's final paycheck. The employee will be placed on leave without pay at the end of employment in order to have deductions made for overdrafts of vacation leave.

**Sec. 8 Return To Work Retirees.**

- 8.1 A State employee who retired from State employment before June 1, 2005 and returns to State employment before September 1, 2005 will accrue vacation leave at the same rate the employee was entitled to receive immediately before September 1, 2005.
- 8.2 A State employee who retired from State employment on or after June 1, 2005 and returned to State employment on or after September 1, 2005 will accrue vacation leave based on the length of State service since returning to work.

**Sec. 9 Procedures.**

- 9.1 Employee requests vacation leave in advance from the supervisor using a leave request form.
- 9.2 Supervisor approves or disapproves leave requests after considering department staffing requirements.
- 9.3 Employee records the time away from work on the electronic timesheet as "Vacation" or "Vacation-FML."
- 9.4 If an employee has previous State employment, the employee contacts his or her prior State agency to obtain information required for leave accruals.

**3. Definitions**

None

**4. Relevant Federal and State Statutes**

[Texas Government Code Sections 661.062-.065; 661.067; 661.091-.092; 661.121; 661.151-.153](#)

[Texas Government Code Section 662.0072, Transferring Employee: Payment for Holiday](#)

**5. Relevant System Policies, Procedures, and Forms**

None

**6. System Administration Office(s) Responsible for Policy**

Office of Employee Services

**7. Dates Approved or Amended**

August 1, 2006  
January 12, 2010  
November 2, 2012  
July 1, 2013