

Policy Title: Vacation Time

Policy Number: BU-PP 402

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Responsible Executive: Vice President for Human Resources

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**Responsible Office: Human Resources** 

# Vacation Time BU-PP 402

#### **Policy Statement**

Baylor University (the "University") provides paid vacation time for Eligible Employees with respect to each employee's FTE and years of service.

#### **Reason for the Policy**

To educate Eligible Employees on the proper way to track the amount of accrued vacation time they receive

#### Individuals/Entities Affected by this Policy

Staff and benefit eligible temporary employees

#### Exclusions

Faculty members, student employees, and short-term temporary staff

#### **Related Documents and Forms**

#### **University Policies and Documents**

- 403 Health Leave
- 406 Non-Compensated Leaves of Absence
- 408 Family and Medical Leave Act (FMLA)
- 409 Military Leave

# Definitions

Eligible Employee	Staff and benefit eligible temporary employees
Short-Term Temporary Staff	Staff positions that are temporary and/or intermittent/seasonal in nature and do not qualify for leave accruals or other employee benefits
Accrual; Leave Time	Hours accrued per scheduled hours worked according to the employee benefit category
Accrual Hours Per Pay Period	The amount of vacation time hours an eligible employee will accumulate each pay period
Maximum Accrual Balance	The maximum amount of vacation time hours an eligible employee is allowed to accumulate at any given time
Pay Period	<ul> <li>Period of time an employee works for compensation. Please see the schedules on the payroll site for further information.</li> <li>Bi-weekly pay period starts on a Sunday at 12:00 a.m. and ends on the second Saturday at 11:59 p.m.</li> <li>Monthly pay period starts on the first day of the month at 12:00 a.m. and ends on the last day of the month at 11:59 p.m.</li> </ul>
FTE (Full-Time	One FTE is equal to an employment position working 40 hours per week. (0.75 FTE = 30 hours per week; 0.50 FTE = 20 hours per week).
Equivalency)	A position FTE percentage is determined by the following formula: Scheduled Hours Per Week divided by $40 = FTE$ $\frac{Scheduled Weekly Hours}{40} = FTE$
Bi-Weekly	Employee who is paid every two weeks (non-exempt employees)
Monthly	Employee who is paid at the end of every month (exempt employees)
Timecard	University approved means for reporting non-exempt hours worked and leave hours

These definitions apply to terms as they are used in this policy.

# Contacts

Subject	Contact	Telephone	Office email/web site
Policy Questions	Human Resources	254-710-2000	askHR@baylor.edu https://hr.web.baylor.edu

Timecard Entry	Payroll Office	254-710-2217	Payroll_Office@baylor.edu
Questions			https://payroll.web.baylor.edu

# Responsibilities

Eligible Employee	Request vacation time through the system put in place by the University
Supervisor or Department Head	Approves or denies the use of vacation time in advance through the system put in place by the University
Payroll Office	<ul> <li>Provides instruction for recording of holiday hours and alternate schedules for submission of timecards; posts annual holiday schedule</li> </ul>

### Principles

Baylor University provides paid vacation to Eligible Employees in accordance with the employee's FTE, accrual rate, and years of service.

#### Availability

Eligible Employees begin to accrue hours immediately upon employment. Vacation time will not be paid in advance of the employee's accrued vacation time. Vacation accruals are earned and applied to an Eligible Employee's vacation balance on the last day of each Pay Period.

### **Accrual of Vacation Hours**

Accruals in the chart below are based upon 1 FTE (40 hours per week).

Pay period	Service years	Accrual Hours Per Pay Period	Maximum Accrual Balance (hours)*
Monthly	0-4	10.67	208
	5-9	12.67	224
	10-14	16.00	264
	15-19	18.00	272
	20+	21.33	312
Bi-weekly	0-4	4.93	208
	5-9	5.85	224

10-14	7.39	264
15-19	8.31	272
20+	9.85	312

**Please note:** The rates shown in the above table will be effective the first payroll paid in 2020.

When a service anniversary is met that allows for an increase of vacation accruals, the new accrual rate will be effective for the payroll during which the service anniversary is met. An Eligible Employee will have an increase to their Accrual Hours Per Pay Period when they *begin* their 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup> and 20<sup>th</sup> service year.

# Accrual of Vacation Hours – Less Than 40 Hours Per Week

For positions that are scheduled for less than 40 hours per week, the Accrual Hours Per Pay Period and Maximum Accrual Balance will be prorated according to the employee's FTE. (*To calculate an FTE, see FTE in definitions section above.*) For example, for someone who has worked at Baylor from 0 to 4 years in a regular, part-time 20-hour/week position (FTE 0.50), the Maximum Accrual Balance is one-half of the maximum 208 hours for regular, full-time positions, or 104 hours.

# Vacation Time Accrual Formula

To determine the prorated Accrual Hours Per Pay Period and Maximum Accrual Balance, the following formulas are to be used.

To determine the Accrual Hours Per Pay Period, use the following formula:

# FTE × 40 Hour FTE Accrual Rate

To determine the Maximum Accrual Balance, use the following formula:

FTE × 40 Hour FTE Maximum Accrual Balance

Once the Eligible Employee has reached the Maximum Accrual Balance, no additional time will be accrued until the balance has decreased below the maximum allowed level.

# Procedures

Prior to the time of the requested leave, the employee will request permission to use vacation time through the University's leave system. Supervisors will either approve or deny the request within the system put in place by the University. Vacation accruals shall be calculated using the chart above.

# Tracking Vacation Time

Paid Vacation Time is tracked using the processes and systems put in place by the University. Approved leave may be later canceled in Baylor's discretion.

### Payment

Payment for time taken on vacation time is paid in an employee's regularly scheduled paycheck, provided that is has been approved. For bi-weekly employees, vacation can be recorded on an employee's time card and approved in accordance with University policy.

### **Separation from Service**

Accrued but unused vacation time has cash value and upon separation from the University, Baylor will pay for accrued vacation balances up to the maximum payout levels in the table shown below.

Service Years	Maximum Payout at Separation
0-4	80 hours
5-9	100 hours
10-14	120 hours
15-19	160 hours
20+	200 hours

Payment for accrued vacation time does not extend employment for separating employees. Accrued but unused vacation may not be paid out prior to separation. An Eligible Employee will have an increase to their maximum payout at separation when they *begin* their 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup> and 20<sup>th</sup> service year.

**Example 1**: An employee who has 4 years of service with 40 hours of accrued and unused vacation time at separation will be paid for 40 hours of unused vacation time in his / her final paycheck.

**Example 2**: An employee who has 8 years of service with 200 hours of accrued and unused vacation time at separation will be paid for 100 hours of unused vacation time in his / her final paycheck.

Balances used to determine maximum payout at separation will be determined as follows:

• If an employee's separation date is any day other than the last day of the employees pay period, the maximum payout balance will be determined by using

the employees vacation time balance as of the end of the previous pay period less any vacation time taken in the current pay period.

• If the employee's separation date is on the last day of the pay period, the maximum payout balance will be their vacation time balance as of their separation date.

# **Multiple Assignments**

When an Eligible Employee is working more than one assignment (job position), each assignment will accrue vacation time separately based on the FTE for each assignment and the staff member's adjusted service date.

In the event an Eligible Employee who is working more than one assignment has an assignment end, the vacation time balance of the ending assignment will be added to the remaining assignment's vacation time balance. If in doing so the employee exceeds the maximum accrual balance of the remaining assignment, the vacation time in excess of the maximum accrual balance will be paid out via a cash disbursement to the employee.

**Example:** A part-time, non-exempt staff member who has been working at Baylor for 10 years is hired into a second part-time assignment. Details of their assignments and vacation accruals are in the table below:

	FTE	Accrual Rate	Current Vacation Balance	Maximum Accrual Balance
Assignment 1	.50	3.70	120	132
Assignment 2	.50	3.70	50	132

If Assignment 2 is ended, the current vacation balance for Assignment 2 will be combined with the current vacation balance for Assignment 1. The combining of assignment vacation balances will cause Assignment 1 to exceed the maximum accrual balance by 38 hours (170 hrs less 132 hrs). The staff member will receive a cash disbursement for the excess 38 hours.