Procedure Statement

The Texas A&M University System (system) provides vacation leave to eligible employees in accordance with state law. Vacation leave use may be considered upon voluntary, including retirement, termination. Any provision not addressed under this West Texas A&M University (WTAMU) procedure would be addressed by the system policies and regulations.

Reason for Procedure

This procedure establishes uniform administration of vacation leave when a WTAMU employee voluntarily terminates employment.

Responsibilities

1. PAYMENT OF VACATION LEAVE BALANCE UPON SEPARATION

1.1 An employee, who at any time during his or her lifetime has accrued six months of continuous state employment and separates from state employment for any reason, is entitled to be paid for his or her accrued vacation balance as of the date of separation. State employment is continuous while the employee is entitled to be paid a regular state salary, except that state employment continuity is not interrupted while the employee is on a leave of absence without pay for less than one calendar month.

1.2 A separation from state employment includes a separation in which the employee:
   (a) leaves one state agency to begin working for another state agency, if one or more workdays occur between the two employments;
   (b) moves from a position in the system that accrues vacation time to a position in the system that does not accrue vacation time. The member will pay the employee for the accrued vacation balance with the following exceptions:
      (1) when the employee transfers to a non-vacation-accruing position and is expected to return to an accruing position, or
      (2) when the employee and the department where the employee will be working agree that the balance should be frozen.
Under these exceptions, the employee will retain the vacation balance and may use it if the employee returns to a leave-accruing position or the employee will be paid for it upon resignation, dismissal or separation from state employment.
   (c) moves from a position in a state agency that accrues vacation to a position in another state agency that does not accrue vacation, if the other state agency refuses to credit the employee for the vacation balance;
(d) moves from a position in a state agency that does not accrue vacation to a position in another state agency that does not accrue vacation, if the other state agency is not authorized or refuses to credit the employee for the vacation balance; or
(e) holds two or more positions, and separates from one that accrues vacation, if the agency agrees to pay the employee.

2. PAYMENT PROVISIONS

2.1 Except as described in Section 2.3, the lump-sum payment to an employee will be computed by multiplying the employee’s hourly rate of compensation on the date of separation from state employment by the total hours of vacation time.

2.2 The employee’s hourly rate of compensation is calculated from the employee’s monthly rate of compensation. The monthly rate of compensation includes base pay plus any monthly emolument(s) received in lieu of base pay, such as a vehicle, housing or telecommunications allowance. Longevity or hazardous duty pay are not included in the monthly rate of compensation. The sum of the monthly base pay and monthly emolument(s) are multiplied by 12 to determine the annual rate of compensation, which is then divided by 2080 hours to determine the hourly rate of compensation.

2.3 An employee will be paid for his or her accrued vacation time in a lump sum on the next payroll date after the last day employment. However, a supervisor may agree to permit a voluntarily separating staff employee to remain on the payroll to exhaust the employee’s accrued vacation time in lieu of a lump-sum payment, for no more than the calendar month of the employee’s last date worked. Any remaining vacation pay will be paid out as a lump sum pay. An employee who remains on payroll will receive all compensation and benefits that the employee was receiving on his or her last day of duty, including paid holidays, longevity pay and hazardous duty pay, but may not use sick leave or accrue sick leave or vacation leave.

2.4 The lump-sum payment must be charged to the fiscal year in which the employee's separation from service becomes effective.

Related Statutes, Policies, or Requirements
System Regulation 31.03.01

Contact Office
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Approval

President/CEO Date

11.28.17