

# ANNUAL LEAVE POLICY

## Responsible Office: HR – Payroll & Employee Benefits (PEB)

### **I. POLICY STATEMENT**

Auburn University provides Annual Leave benefits to all eligible employees. All leave programs are administered in accordance with applicable state and federal laws.

### **II. POLICY PRINCIPLES**

- A. Annual leave is provided to all eligible employees to assist them in maintaining appropriate work-life balance for their health and wellbeing. Employees are encouraged to take and to not accumulate annual leave.
- B. Eligible employees earn annual leave at the accrual rate of 13.34 hours per month (160 hours per year). The accrual rates of annual leave for nonexempt and exempt employees are identical.
- C. Annual leave accrues when an employee is in active pay status.
- D. Annual leave does not accrue during any period of leave without pay or while an employee is being paid under the salary continuation program.
- E. Annual leave may be taken in any amount up to the total of the employees' accrual.
- F. Annual leave cannot be used until it is accrued. Leave accruals for exempt employees become available for use on the first day of the pay period following the accrual. Leave accruals for nonexempt employees become available on the Wednesday following the pay period of the accrual.
- G. An employee who transfers or is promoted from one department to another will retain any unused annual leave balance. If an employee transfers to a non-leave eligible position they will no longer accrue annual leave and leave will be paid to the employee up to 173.33 hours. An employee will not receive credit for previously accumulated leave if rehired after an interruption of employment.
- H. The maximum annual leave balance for eligible employees on each January 1 will not exceed more than two years' (320 hours) accrual of leave.
- I. Eligible employees will be compensated for accrued annual leave at the time of separation from University employment (termination or retirement) to a maximum of one month's additional compensation (173.33 hours).

### **Eligibility Requirements**

- 1) Employees on regular appointments of 50 percent or more who are expected to be employed for 12 months or longer.
- 2) Part-time employees who have an FTE (Full Time Equivalent) of 50 percent or more will accrue leave at a prorated amount, based on that FTE.

### **III. EFFECTIVE DATE**

January 1, 2021

### **IV. APPLICABILITY**

All eligible employees.

### **V. POLICY MANAGEMENT**

Responsible Office: University Human Resources, Payroll and Employee Benefits (PEB)

Responsible Executive: Associate Vice President, Human Resources

## **VI. DEFINITIONS**

**A. Nonexempt Employee:** Nonexempt designation means that employees in so-designated positions are subject to the provisions and obligations of the Fair Labor Standards Act (FLSA), including the accurate recording of time worked, being paid at least minimum wage for all hours worked, and receiving an overtime premium for all hours worked in excess of 40 in a workweek.

[https://www.auburn.edu/administration/human\\_resources/flsa/index.html](https://www.auburn.edu/administration/human_resources/flsa/index.html)

**B. Exempt Employee:** Exempt designation means that employees in so-designated positions are not subject to the provisions and obligations of the FLSA.

Note: Fair Labor Standards Act exemption status determination and designation is a part of “classifying” the work being executed in positions at Auburn University. Along with job content value (pay grade allocation of the work), Standard Occupational Classification (SOC) coding, Equal Employment Opportunity Commission (EEOC) Job Category Coding, etc., it is part of the “classification” function within the Compensation and Classification unit of AU Human Resources.

An employee is not designated as “exempt” or “nonexempt”; rather it is the position to which they are appointed that is determined to be, and designated as, exempt or nonexempt.

Determination of exemption status of all positions is the sole responsibility of the Compensation and Classification unit of AU Human Resources.

**C. Active Pay Status:** Any status in which an employee is active and receiving compensation through payroll, with the exclusion of an employee on salary continuation pay (SCP).

**D. Accrual Rate:** The rate at which annual leave benefits are earned based upon hours worked per pay period.

## **VII. POLICY PROCEDURES**

Annual leave is to be scheduled at the mutual convenience of the department and the employee involved. It must be requested and approved by the supervisor, in advance, by utilizing the University’s approved time management system.

- a. If leave dates are incompatible with departmental needs, the employee and their supervisor will schedule alternative dates, within a reasonable timeframe.
- b. Department heads should ensure that annual leave is scheduled with the seasonal workload of the department in mind.
- c. Sickness occurring during an annual leave period may be charged to sick leave but may be subject to proper documentation of the illness.

## **VIII. SANCTIONS**

Violations of this policy could result in disciplinary action up to and including termination of employment.

## **IX. EXCLUSIONS**

Nine-month faculty do not accrue annual leave.

## **X. INTERPRETATION**

Executive Director, Payroll and Employee Benefits