

Understanding your Vacation Accrual Balance

When making vacation plans, it is important to understand your vacation balance and how it is calculated. The Payroll Office frequently receives questions such as:

- What is the University Vacation Policy?
- How much vacation do I accrue each pay?
- What is my current vacation balance?
- How do I know how much vacation I have available through the end of the fiscal year?
- How does my vacation “roll” to the new fiscal year?

The answers to these questions are shown below:

University Vacation Policy:

For a complete statement of the University’s vacation policy, please refer to the Policy section of the Human Resources web page. That policy should always be consulted whenever you are calculating the vacation balance available to you.

Vacation Accruals per Pay:

Vacation is accrued for all eligible salaried staff from July 1 through June 30. If you started employment in the current fiscal year, the accrual starts from your first day of employment. You may take your current year’s full vacation allocation before you earn it. If you should leave the University without having earned the vacation taken, the unearned vacation advance will be deducted from your final paycheck. If you are classified as a Research Associate, you are eligible for a two-week absence instead of vacation. Consult the Human Resources web page for additional policy information.

Vacation is accrued for eligible staff as follows:

Employee Class	Years of Service	Vacation Earned per Pay if Work a 37.5 hour week	Vacation Earned per Pay if Work a 40 hour week
Nonexempt Staff *	0 to 5	3.13 hours	3.33 hours
	6 to 10	4.69 hours	5.00 hours
	11 to 15	6.25 hours	6.67 hours
	16 +	7.81 hours	8.33 hours
Exempt Staff **	0 to 15	N/A	14.67 hours
	16 +	N/A	16.67 hours

**Working 37.5 or 40 hours per week, 52 weeks per year. If you work fewer hours per year, you are entitled to vacation on a pro-rated basis.*

*** Working 40 hours per week, 52 weeks per year. If you work fewer hours per year, you are entitled to vacation on a pro-rated basis.*

Determining your Current Vacation Balance:

If you look at your pay statement, there is an explanatory comment in the block just above the space where your remaining vacation and floating holiday balances are printed. It says *"Leave balance hours prior to deducting hours taken this pay period."* The reason why your actual balance cannot be printed is simple — the Payroll Office doesn't know how much time you've taken during the current pay period until the departmental time reports are submitted, which happens after the pay date.

It's useful to know how much vacation time you actually have available, especially when you approach fiscal year end. The most critical issue, of course, is to be sure that you haven't taken too much time off before June 30. The other concern is related to avoiding the loss of vacation time that cannot be carried forward beyond June 30.

To determine your actual balance as of pay day, you need to subtract any floating holiday or vacation hours taken during the pay period. So, if the May 31st check says you have 42 vacation hours available and you took off the week before Memorial Day, you really have 42 hours less the number of hours you usually work in a week. For the sake of this example, let's use 40. That means you only have 2 hours available on May 31.

Projecting your June 30 Vacation Balance:

You can project your June 30 balance by:

- Starting with the vacation balance on your most recent pay-stub.
- Adding the amount of vacation you will earn through June 30.
- Subtracting any unrecorded vacation.
- Comparing this amount to the maximum amount you can carry over.

The result is the number of hours of vacation you may schedule before June 30.

Remember that vacation is recorded one pay period after it has been taken, and any unrecorded vacation must be subtracted in computing your vacation carryover. For example, hours listed on a May 31 pay-stub represent vacation earned through May 31, but vacation taken April 30(Exempt) / May 15(non-exempt).

Use the chart below to project your available June 30 vacation balance:

Enter Vacation Balance on most recent pay statement	+
Plus: Sum of Hours earned for remaining pay periods per accrual chart above (Per pay accrual times the number of remaining pay periods this fiscal year)	+
Less: Vacation taken during last pay period but not yet recorded by Payroll	-
Equals projected vacation balance as of June 30	=
Less maximum carryforward to new fiscal year (see below:)	-
Equals vacation hours available before July 1:	=

This process works for almost all staff pay statements. Unfortunately, it's not quite that straightforward in the summer months when we cross over (or "roll") from one fiscal year to another (see below).

Understanding the Vacation "Roll" Process in the new Fiscal Year:

At the end of each fiscal year, two things happen. First, any floating holiday time still available at the end of the year is cancelled. Second, any unused vacation time that cannot be carried forward is lost. Only unused vacation time that is less than or equal to the amount you earned in the last 12 months or will earn in the next 12 months is carried forward into the next fiscal year. Technically, this happens at the close of business on June 30.

You are given your floating holiday time for the new year at the beginning of the fiscal year, July 1. You might expect that your first pay statement of the new fiscal year will include this information. But, remember the timing dilemma with reporting paid time off to the Payroll Office. If we activated your new fiscal year floating holidays on July 1 and then processed time reports for June that included floating holidays for the prior year, we'd be reducing the your new holiday balance!

The solution to this problem is to make the system changes only after the departmental time reports for pay periods ending June 30 are processed. This process works quite well in the Banner payroll system. However (and, as those working with any system know, there is always a "however"), the information printed on your paychecks will not be correct when this process happens. The reason is the sequence in which Banner performs these activities. First, the payroll is processed and checks are printed. Then, after the checks are printed, the "roll" of vacation and floating holiday balances takes place in Banner.

Information Available on the Web

You are able to view your vacation and floating holiday balances on the Banner Employee Self-Service product (most easily accessed through the Portal). This information will be more accurate than your summer pay statements because it will include the results of the “roll” on your pay date which could not be printed on your pay statement. To access the leave balance amounts, select Current Time Off Balances from the Employee Services menu.

Need More Information?

If you need more information about vacation or floating holiday benefits, you can call Human Resources at extension 83900 or check the HR website at <http://www.lehigh.edu/~inhro/>. If you have questions about the actual vacation or floating holiday time reported to or processed by the Payroll Office, please call extension 82900 or email inpayrol.

	Pay Dates	
Semi-Monthly Payroll	July 15	July 31
Monthly Payroll	July 31	August 31
Vacation Balance on Checks	Before the roll — Amounts may be overstated if they exceed 12 months of accrual plus the current pay period	Amounts from roll plus vacation earned since July 1 st
Floating Holiday Balance on checks (printed only if greater than zero hours)	Hours not used as of June 30 — this time will be forfeited	New allocation less floating holiday reported for first pay period
Web Balance on Pay Day	After the roll — Amounts should reflect actual vacation carried forward plus the current pay period	New allocation less vacation time reported for first pay period