THE UNIVERSITY OF MICHIGAN

STANDARD PRACTICE GUIDE

SECTION:	Human Resources and Affirmative Action	Number:	201.64
		Revised**:**	3/16/05
SUBJECT:	Vacation	Date Issued:	
		Review Date:	3/16/09
		Attachment(s)	0

APPLIES TO: Professional/Administrative, Regular Allied Health, Office, Primary, and Technical Staff Members (with the exception of Paid Time Off (PTO) eligible employees).

ISSUED BY: Human Resources and the Office of the Provost and Executive Vice President for Academic Affairs

---

I. Policy

To provide time off from work for rest and convenience, the University provides regular staff members with paid vacation. Vacation time must be approved by the staff member's supervisor.

II. Regulations and Definitions

A. Accrual

1. Full-time non-exempt staff members accrue paid vacation in accordance with the following schedule:

   First 5 years service (0-60 mos.) 1 day per mo.
   Over 5 through 8 yrs (61-96 mos.) 1 1/2 days per mo.
   Over 8 years of service (97 or more) 2 days per mo.

   Years of service are calculated from the staff member's most recent employment date.

2. Vacation accrues and is recorded at the end of each calendar month of employment.

3. Full-time exempt staff members accrue paid vacation at the rate of two days per month beginning with the date of employment.

4. Part-time staff members regularly scheduled to work 20% (8 hours or more) per week, accrue vacation time on a proportionate basis. Personnel regularly scheduled to work less than 20% (8 hours) per week do not accrue paid vacation.

5. Vacation time accrues during time worked and during absences covered by short term sick time and vacation.

6. Vacation time is available for use during the calendar month in which it is accrued or during the bi-weekly pay period which includes the first of the month in which it is accrued.

7. Vacation days may be accumulated over a period of time up to a maximum of twice the annual accrual rate.

8. Vacation accrual and usage records are maintained in appropriate organizational units.

9. Vacation accrual for partial calendar months of employment is calculated on the basis of the effective date of status changes according to the following table:

Effective Date	Start of Employment, Promotion to Exempt Status, Completion of 5 or 8 Years of Service or Return from Leave	End of Employment or Start or Leave
1 through 10	100% accrual	No accrual
11 through 20	50% accrual	50% accrual
21 through end of mo.	No accrual	100% accrual

10. Except as provided in 8 above, staff members do not accrue paid vacation time while receiving extended sick time pay or during a leave of absence without pay or during any calendar month in which an absence without pay is recorded for fifteen or more working days. During any calendar month in which a staff member is absent without pay for less than fifteen but more than seven work days, vacation time shall accrue at the rate of fifty percent of the normal rate.

11. Leaves of absence will be counted as service time for the purpose of determining the appropriate rate of vacation accrual.

12. Time worked as overtime will not be counted when calculating accrual or rate of accrual.

B. Scheduling

Each University activity is responsible for scheduling vacations so as not to interfere with the operation of the activity and so that all eligible staff members receive their vacation time each year if desired. Vacations must, therefore, be scheduled to meet the work requirements of the activity but every effort shall be made to satisfy individual preferences as to dates. Activities which experience “slack” or “down” periods, may require that vacations be taken during these times. When practicable, all staff members should be informed of such requirements in advance.

C. Compensation for Vacation Time Off

Staff members who meet the requirements of this policy will receive regular compensation (rate at the time of absence plus shift premium, if applicable) times the number of hours of accrued paid vacation time scheduled and used based upon regular work schedules.

D. Pay in Lieu of Vacation

Actual time off from work must be taken in order to receive compensation for accrued vacation time except upon:

1. Retirement
2. Start of a military leave of absence
3. Termination for any cause
4. Quit without notice
5. Resignation
6. Death
7. Layoff
8. Reduction in hours (fraction) or appointment - if the hours (fraction) of an appointment are reduced, payment is made for all accrued vacation hours in excess of the maximum accrual eligibility for the reduced appointment. In the case of an interdepartmental transfer, the previous employing department will pay off the excess accrual.

E. Advance Vacation Pay

Staff members who are paid monthly may request up to 50% of their regular gross monthly pay in advance. Staff members who are paid bi-weekly may request up to two weeks regular gross pay in advance. Complete Form 9791 "Vacation Payroll Advance Request" and obtain the signed approval on the form by the supervisor and/or the authorized signer for the department or organizational unit and present it to the Central Payroll Office or Hospital Cashier's Office, if paid from a 20xxxx account, for payment. Supervisors and authorized signers cannot approve their own requests for advance vacation pay. To be eligible for an advance vacation payment, a staff member must:

1. Have accumulated the amount of vacation time being requested.

2. Request and take no less than ten (10) consecutive working days (holidays may be included).

3. Agree to have the advance deducted in one sum only from the next regular pay check if paid monthly, or one-half from each of the next two regularly scheduled pay checks if paid bi-weekly. (No other repayment plan can be arranged.)

Where applicable, supervisors may wish to double check the amount of a staff member's accrued vacation time with the appropriate timekeeping office, e.g., Compensation Section, Personnel Office, Hospital Payroll, etc. (See sample form 9791 attached).

F. Neither vacation time nor pay in lieu of vacation can be granted prior to the calendar month in which it accrued.

G. Holiday

A University holiday falling during a scheduled period of vacation will not be charged against accrued vacation, unless it is one for which a staff member has substituted a day of personal significance in which case the University's designated holiday may be charged as vacation or excused absence without pay at the employee's option.

H. Use for Sick Time

At the staff member's request, absence due to illness or injury may be charged to vacation after all sick time has been exhausted. If vacation is not requested by the staff member, excused absence without pay due to illness or injury may not exceed 14 consecutive calendar days. Additional time off will then be charged to accrued vacation.

I. Transfers

Unused vacation allowance will be transferred with an individual when transferring from one position, budget or operating unit to another. Staff members transferred from twelve month instructional staff appointments retain their accumulated vacation upon transfer based on maximum of one year less vacation actually used in the fiscal year in which the transfer occurs. They accrue vacation time from the date of their new appointment at the rate applicable to their new appointment. Staff members transferred to instructional staff appointments will receive pay in lieu of unused vacation. Staff members involved in transfers should be encouraged to take their accumulated vacation prior to beginning their new appointments.

J. Split Appointments

Twelve month staff members who hold any combination of Instructional, Primary and P/A appointments may participate in this vacation program.

K. Reporting Attendance and Absence

1. Non-exempt staff paid on a bi-weekly basis are to report time worked and absences from the normal work schedule to the nearest 1/10th of an hour on the biweekly time sheet.

2. Non-exempt staff paid on a monthly basis are to report time worked and absences from the normal work schedule to the nearest 1/10th or an hour on the monthly attendance record card.

3. Exempt staff are to report absences from the normal schedule in half day increments on the monthly attendance sheet. Each half day stands alone. Short absences (i.e. 1 hour) are not to be accumulated for consolidation and reporting at some later time.

L. Vacation Benefits - Phased Retirement*

1. Staff members who are participating in Phased Retirement by reducing their hours of appointment will be paid for all accrued vacation in excess of the maximum accrual eligibility for the reduced appointment.

2. Staff members who are participating in Phased Retirement by taking LOA for a fixed period of time will maintain vacation hours accrued, but not to exceed the maximum eligibility. Vacation hours do not accrue during the period of the LOA.

* See: SPG 201.83 Retirement

M. Long Term Disability Plan

In order to be eligible for Long Term Disability Benefits, staff members must first exhaust their accrued vacation time which will not be paid in a lump sum.

Procedure: **http://www.umich.edu/~hraa/procedures/spg201-64.htm**