

ANNUAL LEAVE FOR EXEMPT EMPLOYEES

I. Purpose

The purpose of this policy is to establish procedures for the accrual and use of annual leave, also called vacation leave, for all exempt employees of any campus, division or unit of the University of Arkansas System. For the purposes of this policy “exempt employee” means an employee who is exempt from the overtime pay requirements of the Fair Labor Standards Act.

II. Annual Leave Accrual

A. General Rule. Except as provided in Section II(B) of this policy, eligible exempt employees will receive 22.5 days of annual leave from the on-set of employment, earned at a rate of 15 hours per month of service, with accrual at the end of each month. While administrative duties cannot be limited to a five-day, 40-hour week, for purposes of annual leave the normal work week shall be considered Monday through Friday.

For all eligible employees annual leave is accrued at the end of each month and is cumulative.

B. Exceptions to General Rule.

(1) Employees holding positions for which annual leave accrual is addressed in special appropriation language will accrue leave on the basis and at the rate provided in the special appropriation language.

(2) Campuses, units and divisions may adopt, but only after review by the Office of General Counsel and approval by the President, campus annual leave accrual policies that differ from this policy for specialized categories of exempt employees. Any such policy must specifically identify any position categories affected and how they are affected. In no instance shall the accrual rate, eligibility, annual carryover, or payout of annual leave exceed that provided in this Policy.

III. Eligibility

A. Except as provided in Section II(B) of this policy, annual leave is granted to all exempt non-student employees on 12-month appointments of one-half time or more, with part-time employees earning leave in proportion to the time worked. An employee whose period of employment is scheduled to be changed from a 12-month basis to a nine-month basis must take all accrued, unused vacation before

the end of the 12-month period. An employment period shall not be extended for the purpose of paying an employee for unused vacation, and neither shall lump-sum terminal payment be made unless an employee terminates employment with the University.

- B. Employees who are employed pursuant to employment contracts or appointment letters that exclude annual leave as a benefit are not eligible for annual leave. However, any such contract or appointment letter excluding annual leave must be either approved by the President or executed pursuant to a Chancellor-approved campus policy that specifically identifies the position categories that do not accrue leave.

IV. Use of Annual Leave

Use of accrued annual leave may be requested by an employee at any time. The appropriate supervisor will grant the request when it will least interfere with the efficient operation of the department. Annual leave shall not be taken before it is accrued.

V. Annual Leave Carryover Limit

Annual leave is cumulative; however, no employee may have in excess of 30 days on December 31 of each year. During the calendar year accrued leave may exceed 30 days, but those days in excess of 30 (inclusive of holidays) will be lost if they are not used before December 31 of each year. An exception may be made when an end-of-year vacation is postponed for the convenience of the University. Any such exception must be approved by an appropriate University official.

VI. Other Limitations

Annual leave may not be accumulated while an employee is on leave without pay or on catastrophic leave. Upon termination, resignation, retirement, death, or other action by which a person ceases to be an active employee of the University, the amount due the employee or his or her estate from accrued annual leave or holiday leave, not to exceed 30 working days inclusive of holidays, shall be included in the final pay to the employee. No employee receiving such additional compensation shall return to University employment until the number of days for which he or she received additional compensation has expired.

VII. Annual Leave for Graduate Study

Annual leave for graduate study may be granted to otherwise eligible employees under the following terms:

1. Accrued leave with pay may, if used for graduate study, be accumulated for two calendar years preceding the date of the leave if it is used by January 1 of the third year.
2. Permission to carry over such credit must be requested in writing by the employee and approved by the President in advance of the commencement of vacation accrual.

The President may approve a modified application of the regulation where circumstances warrant, not to exceed the earned annual leave for two years.

May 25, 2023 (Revised) Effective July 1, 2023  
May 27, 2021 (Revised)  
May 21, 2020 (Revised)  
January 31, 2019 (Sick Leave Section Replaced by BP 420.3)  
June 9, 1995 (Revised)  
July 24, 1991 (Corrected)  
June 14, 1991 (Revised)  
April 15, 1983 (Revised)  
February 13, 1981 (Revised)  
November 9, 1979 (Revised)