I. General Statement

This policy sets forth the specific conditions under which annual leave is earned and liquidated. Annual leave is granted only when the public service will best permit and when approved by the employee’s supervisor. In order to ensure that annual leave is taken when public service best permits, an appointing authority may require additional advanced notification for a request to use annual leave. The supervisor may require a written request to use annual leave.

This policy should be interpreted and applied in conjunction with Policy B-35 concerning Family and Medical Leave. In the event that this policy conflicts with state statutes or the Code of State Regulations, applicable statutes and codes will control.

II. Guidelines for Accrual of Annual Leave

A. Employees who are employed on a full time basis in positions of continuing or permanent nature shall be entitled to annual leave with full pay computed according to the following rates:

1. Employees with less than 10 years of service shall earn annual leave at the rate of 5 hours per pay period.

2. Employees who have completed 10 years of total state service shall earn annual leave at the rate of 6 hours per pay period.

3. Employees who have completed 15 years of total state service shall earn annual leave at the rate of 7 hours per pay period.

B. An employee must be in pay status for a minimum of 40 hours in a pay period to receive prorated leave accrual. If an employee is in pay status for 80 hours in a pay period the employee will receive full leave accrual for the pay period. Hours in pay status between 40 and 80 will be prorated according to the following formula:

\[
\text{Prorated Accrual Amount} = \left( \frac{\text{Number of Hours in Pay Status}}{80} \times \text{Leave Accrual Rate} \right)
\]

*Not to exceed leave accrual rate for pay period.*
C. Annual leave shall not be credited to employees who have ceased active duty preliminary to separation from the state service except that this provision shall not apply to an employee who has submitted a formal notice of retirement.

D. Annual Leave will not be earned by an employee while on an official leave of absence without pay.

E. Maximum annual leave is 48 times the employee’s current full-time semi-monthly accrual rate.

F. Annual leave may be accrued beyond the maximum. On October 31 of each year unliquidated accumulation of annual leave above the maximum shall lapse and credit for the excess leave shall be forfeited.

G. Annual leave shall not be allowed to employees who are employed on a non-continuing basis in positions of limited duration requiring less than the equivalent of 6 months of full-time employment in any 12 month period, whether this be on an emergency, temporary, limited temporary, hourly or per diem basis. If the term of limited duration employment is extended to the equivalent of 6 months or more of full-time work in any 12 month period, the employee shall be credited with earned annual leave for that period of employment in excess of 6 months. If a limited duration appointment is followed without break in service by appointment to a position of a continuing or permanent nature, the employee shall be credited with earned leave for the initial period of limited duration employment.

III. Guidelines for Annual Leave Usage

A. Annual leave shall be used in multiples of one-quarter hour increments.

B. Annual leave cannot be used in the same pay period that it is earned.

C. An employee entitled to annual leave who has resigned or otherwise separated from employment shall be entitled to receive reimbursement for all such accrued leave, up to the maximum.

D. Employees who transfer or who are otherwise appointed within another division of the Office of Administration shall have their accumulated annual leave carried forward to the receiving division unless otherwise provided by the appointing authorities involved.

E. Employees transferring to another state department may transfer annual leave in an amount agreed to by the new department not to exceed the maximum. Accrued annual leave in excess of the amount transferred will be paid by the
Office of Administration not to exceed the maximum. Under no circumstances will the combined total of annual leave paid and annual leave transferred to another agency equal more than the applicable maximum balance for the employee.

F. Employee’s transferring from another state department to the Office of Administration will be allowed to transfer to the Office of Administration all accrued annual leave up to the amount which may be accumulated in one year: an employee with an accrual rate of 5 hours per pay period may transfer a maximum of 120 hours of annual leave; an employee with an accrual rate of 6 hours per pay period may transfer a maximum of 144 hours of annual leave; an employee with an accrual rate of 7 hours per pay period may transfer a maximum of 168 hours of annual leave.

G. An employee, upon submitting notice of retirement from state service, may elect to exhaust their accrued annual leave balance.

H. An employee who has been approved for Family and Medical Leave may elect to use accrued annual leave in lieu of sick leave or leave without pay.