



TOPIC: Proposed Technical Amendments to Board Policy VII-7.00—Policy on Annual Leave for Regular Nonexempt and Exempt Staff Employees

COMMITTEE: Finance

DATE OF COMMITTEE MEETING: June 19, 2014

SUMMARY: On February 14, 2014, the Board of Regents approved substantive amendments to the USM policies governing sick and annual leave for staff and faculty in order to enhance the availability of “family friendly” leave options for USM employees with dependent children and ill family members. These amendments extended relevant sick and annual leave enhancements negotiated as part of the 2013 USM Nonexempt Employee’s Collective Bargaining Coalition to USM regular faculty and staff, as appropriate, beyond the scope of the Coalition agreement.

At that time, additional technical amendments needed to update the policies to reflect current law and actual institution practice were also proposed. However, representatives of the American Federation of State, County and Municipal Employees (AFSCME) raised questions regarding some of the technical amendments to the annual leave policies. As a result, the Committee’s consideration of the technical amendments to the annual leave policies was delayed pending further discussions between the USM and AFSCME. Those discussions have now been completed.

The resulting proposed amendments before the Committee generally capture current and, in most instances, long-standing institution practice and terminology. The proposed policy specifically addresses the following:

- The consolidation of two separate and largely duplicative annual leave policies, the *USM Policy on Annual Leave for Administrative and Classified Personnel (No. VII-7.00)* and the *Policy on Annual Leave for Regular Exempt Employees (No. VII-7.01)*, into a single policy applicable to all regular staff employees;
- The maximum number of annual leave hours that staff may carry over from one calendar year to the next; and
- The impact of changes on an individual’s employment status on annual leave accrual and usage.

The policy is otherwise unchanged by virtue of the proposed amendments.

ALTERNATIVE(S): The committee can recommend that the proposed amendments not be approved.

FISCAL IMPACT: No fiscal impact is anticipated.

CHANCELLOR'S RECOMMENDATION: That the Finance Committee recommend approval of the proposed revision to the Policy as presented.

COMMITTEE RECOMMENDATION: RECOMMEND APPROVAL

DATE: 6/19/14

BOARD ACTION:

DATE:

SUBMITTED BY: Joseph F. Vivona (301) 445-1923

VII - 7.00 - POLICY ON ANNUAL LEAVE FOR REGULAR NONEXEMPT AND EXEMPT STAFF EMPLOYEES

(Approved by the Board of Regents, April 25, 1991; Amended, February 14, 2014; Amended, _____)

I. Purpose and Applicability

This policy governs the accrual and use of Annual Leave and applies to all Regular Status Nonexempt and Exempt Staff employees of the University System of Maryland, except to the extent that the provisions of a collective bargaining agreement between an institution and one of its bargaining units provides otherwise.

II. Earned Leave

A. Nonexempt Staff Employees – Regular full-time Nonexempt Staff employees will earn annual leave on a biweekly basis according to the following schedule.

- | | |
|--|---------|
| 1. Beginning with the Date of Employment through completion of the 1 st year: | 11 days |
| 2. Beginning with the 2 nd year through completion of the 2 nd year: | 12 days |
| 3. Beginning with the 3 rd year through completion of the 3 rd year: | 13 days |
| 4. Beginning with the 4 th year through completion of the 4 th year: | 14 days |
| 5. Beginning with the 5 th year through completion of the 10 th year: | 15 days |
| 6. Beginning with the 11 th year through completion of the 20 th year: | 20 days |
| 8. Beginning with the 21 st year and thereafter: | 25 days |

B. Exempt Staff employees – Regular full-time Exempt Staff employees earn 22 days of annual leave per year, accumulated on a biweekly basis. Beginning with the 21st year of employment, annual leave shall be earned at the rate of 25 days per calendar year.

C.B. Regular Status part-time Nonexempt and Exempt Staff employees working 50% or more will earn Annual Leave on a pro-rated basis. Employees working less than 50% of full-time are not eligible to earn leave.

€D. Leave can be used to the extent it is accrued and available.

III. Leave Accumulation

A. Annual leave with pay shall be available only to the extent earned, provided that the dates of such leave have been approved in advance by the employee's supervisor.

- B. A maximum of **400 hours (50 work days)** ~~45 days work~~ of annual leave may be carried into a new calendar year by all Regular full-time employees; this maximum will be pro-rated for part-time employees working 50% or more.

IV. Leave Advancement

- A. With the approval of the institution's **Chief Human Resources Officer (CHRO)** ~~President~~ or designee, an employee may be advanced 5 days of annual leave provided that no other leave, including personal leave, compensatory leave or sick leave is available to the employee and is appropriate to the purpose of the leave.
- B. The **CHRO** ~~President~~ or designee shall ~~make a determination to approve the~~ advanced annual leave, ~~based on the supervisor's demonstration that such an advance would not impair the work of the unit~~ **provided that it will not significantly impair operations in the employee's unit**, and that the employee has demonstrated a substantial need for such leave.

V. Payment for Denied Annual Leave

- A. At **the request of the employee, at the** end of ~~each a~~ calendar year, a supervisor **will** ~~may~~, through appropriate channels, recommend to the institution's President or designee that an employee **who has been denied** ~~unable to use~~ **requested leave for reasons of institution business necessity on at least two occasions shall be either:**
1. ~~be~~ Paid for days of **denied** annual leave lost pursuant to Section III of this policy;
or
 2. **Provided an extended period of up to 60 additional days to use the denied leave that would otherwise be lost at the end of the calendar year.**
- B. Such payment may be made only when the employee has submitted **two** ~~one~~ or more timely written requests to use annual leave during the calendar year and such requests have been denied in writing for administrative reasons. The supervisor shall provide any such denial in writing and shall state the administrative reasons for such denial.
- ~~B.C.~~ C. The supervisor's recommendation for payment for lost annual leave shall be accompanied by copies of the written requests, ~~and denials and the explanations (in writing)~~ of why the lost annual leave was **denied** ~~not taken at another time~~ during the calendar year.
- ~~C.D.~~ D. Payment is limited to unused annual leave that is in excess of the maximum accumulation and that is lost by the employee at the end of the calendar year. The amount of annual leave for which payment may be made shall be decreased hour for hour by the amount of compensatory leave used during the calendar year.

~~D.E.~~ Under extenuating circumstances, a supervisor may recommend the payment of denied annual leave to be lost at the end of a calendar year, even if the procedural requirements of this section are not fully met.

~~VI. Leave Transfer:~~

~~When an employee transfers to another institution in the University System of Maryland or transfers to another department in the same institution and/or moves from one employment category to another, all unused accumulated annual leave shall be transferred.~~

~~VII. IMPACT OF CHANGES IN EMPLOYMENT STATUS Termination Payment:~~

~~A. FULL-TIME TO PART-TIME STATUS~~

- ~~1. An employee who experiences a status change from full-time to part-time status shall retain existing accrued annual leave balance at the time of the status change.~~
- ~~2. An employee shall retain all accrued Annual Leave upon a change to part-time status. At the discretion of the institution, such accrued leave may be either:
 - ~~a. Used by the employee during the course of their employment in part-time status;~~
 - ~~b. Paid to the employee at the time of conversion to part-time status; or~~
 - ~~c. Held in abeyance until the employee either:
 - ~~i. Separates from employment, at which time it will be paid to the employee; or~~
 - ~~ii. Returns to full-time employment.~~~~~~
- ~~3. Subsequent leave accruals and maximum accumulations are based on proportion of full-time status and will be subject to the maximum accumulation provisions outlined in Section III of this policy.~~

~~B. ELIGIBLE TO INELIGIBLE LEAVE ACCRUAL STATUS~~

~~An employee shall retain all accrued Annual Leave upon a change to status to a position in which the employee is not eligible to accrue leave. At the discretion of the institution, such accrued leave may be either:~~

1. Used by the employee during the course of their employment in a status for which they are otherwise ineligible to accrue leave;
2. Paid to the employee at the time of conversion to leave-ineligible status; or
3. Held in abeyance until the employee either:
 - a. Separates from employment, at which time it will be paid to the employee; or
 - b. Returns to leave-eligible status.

C. LEAVE TRANSFER

1. Employees who transfer to another USM institution or State of Maryland agency will have their unused annual leave accrued as of the date of separation from the University transferred to that institution/state agency unless there is a break in service of 30 days or more.
2. Employees in a regular position with a State of Maryland Agency who accept a regular position at a USM Institution without a break in service shall have their unused annual leave accrued as of the last day of employment at the State of Maryland agency transferred to the USM institution.

D. SEPARATION FROM SERVICE ~~Termination Payment:~~

Employees who leave the University System of Maryland, **except under circumstances outlined under VI.C.**, are entitled to compensation for any unused annual leave that has been credited and available for use as of the date of separation.

E. RATE OF ANNUAL LEAVE EARNINGS UPON RETURN TO USM/STATE SERVICE

1. RETURN TO USM/STATE SERVICE

An employee who is entering or returning to USM service is entitled to credit towards the rate of annual leave earning for previous USM and/or state service regardless of the length of the absence, if the service included at least 180 days of continuous and satisfactory performance in an allocated position.

VIII

2. RETURN TO USM SERVICE AFTER A Leave of Absence Without Pay

An employee ~~on~~ **who returns to service upon the conclusion of** a leave of absence without pay (LWOP) **will earn annual leave at the same rate in effect at the time the leave of absence without pay began.** ~~due to temporary disability resulting from mental or physical disability may elect to receive payment for all accumulated unused annual leave or retain all accumulated unused annual leave for a period not to exceed the first six months of the approved leave of absence without pay. Retention of the accumulated unused annual leave must be requested in writing by the employee or the employee's designated representative. Upon completion of the first six months of leave of absence without pay, payment of all such accumulated unused annual leave shall be made to the employee if the employee does not return to work.~~

~~IX. Rate of Annual Leave Earnings Upon Return to State Service:~~

~~A Nonexempt Staff employee who is entering or returning to USM service is entitled to credit towards the rate of annual leave earning for previous USM and/or State service. This previous service must have included at least 180 days of continuous and satisfactory performance in an allocated position.~~

3. RETURN TO USM SERVICE UPON Reinstatement:

~~AN~~ **Nonexempt Staff** employee returning to USM service with an authorized status of reinstatement within **three** ~~two~~ years of separation **will** ~~is entitled to~~ earn annual leave at the same rate in effect at the time of separation from active service.

IMPLEMENTATION PROCEDURES:

Each President shall identify his/her designee(s) as appropriate for this policy, develop procedures as necessary to implement this policy, communicate this policy and applicable procedures to his/her institutional community, and post it on its institutional website.