

Calculation of Vacation Allowances

Background

In accordance with Section 78-23, HRS, when an employee transfers within the University or to another state department, state jurisdiction (i.e., Department of Education, Hawai'i Health Systems Corporation, the Judiciary, the Legislature, and the Office of Hawaiian Affairs) or county, the unused vacation hours must be transferred by the campus/school/program to the receiving department/jurisdiction. In addition, when an employee separates from the University or transfers to a non-vacation accruing position, the employee shall be paid for the vacation allowance either in lump sum or in the normal manner as indicated below.

The transfer of funds for the vacation allowance must be made when an employee transfers 1) between government jurisdictions or 2) between positions within the University system that are financed by different funds (i.e., general to revolving, revolving to special, special to different special, extramural to general, etc.). No transfer of funds within the University is required if the new appointment is funded with the same means of financing (i.e., general to general).

Calculation

The amount to transfer shall be calculated as follows:

Action	Determining Factors	Calculation	Example
Employee transfer	Transfer within the University (if financed by different funds) or to another state department or state jurisdiction	Vacation allowance paid on a salary basis using current compensation – as if employee was permitted to take vacation in the normal manner (include holidays; no pay adjustment)	See example #1
	Transfer to the county	Vacation allowance paid on an hourly basis - vacation hours multiplied by current hourly rate	See example #2
Employee separation or transfer to a non-vacation accruing position	Hired <u>prior to</u> July 1, 1997 - Civil service, APT, E/M employees	Vacation allowance paid on a salary basis - as if employee was permitted to take vacation in the normal manner (include holidays and approved pay adjustments)	See example #3
	Hired <u>prior to</u> July 1, 1997 - Faculty	Vacation allowance paid on a salary basis using current compensation – as if employee was permitted to take vacation in the normal manner (include holidays; no pay adjustment)	See example #1
	Hired <u>on or after</u> July 1, 1997 - Civil service, APT, Faculty, E/M employees	Vacation allowance paid on an hourly basis; vacation hours multiplied by current hourly rate	See example #2

References:

Chapter 78-23, HRS, Leaves of Absence
Administrative Procedure A8.950 Vacation Credit Fund Transfers for Extramurally Funded Employees

Administrative Procedure A9.350 Application for Transfer of Vacation and Sick Leave Credit or Payment in Lieu of Vacation

Administrative Procedure A9.390 Vacation Credit Fund Transfer

Unit 7 Collective Bargaining Agreement, Article XXI, D. Entitlement (Resignation, Termination, Retirement)

Comptroller's Memorandum No. 2010-14 dated April 21, 2010

NOTE: Administrative Procedures are in the process of being revised.

Examples for Vacation Credit Fund Transfers

Employee Information:

UH hire date:	10/01/2009
UH COB date:	06/07/13
Salary or hourly:	Salary
Monthly salary at termination:	\$3,309
Monthly salary on 7/1/13:	\$3,441
# of vacation hours:	352 hours
# of vacation days:	44 days

Example #1: Employee transfers within the University or to another state department/jurisdiction (i.e., Department of Health); faculty hired prior to July 1, 1997 separates from the University or transfers to a non-vacation accruing position

Period	# Vacation Days		# Holidays		# Vacation Days + Holidays		# of Working Days in Month		Monthly Salary at Termination		Amount of Vacation Pay
6/10 – 6/30/13	14	+	1	=	15	/	20	x	\$3,309	=	\$2,481.75
7/1 – 7/31/13	22	+	1	=	23	/	23	x	\$3,309	=	\$3,309.00
8/1 – 8/12/13	8	+	0	=	8	/	22	x	\$3,309	=	\$1,203.27
	44										\$6,994.02

The amount to transfer/payout is \$6,994.02.

Example #2: Employee transfers to the county (i.e., Board of Water Supply); employee hired on or after July 1, 1997 separates from the University or transfers to a non-vacation accruing position

\$3,309 monthly salary x 12 mos = \$39,708 annual salary

\$39,708 / 2080 hours = \$19.09 hourly rate

\$19.09 x 352 vacation hours = \$6,719.68 amount to transfer or payout

Example #3: Non-faculty hired prior to July 1, 1997 separates from the University or transfers to a non-vacation accruing position

Period	# Vacation Days		# Holidays		# Vacation Days + Holidays		# of Working Days in Month		Monthly Salary at Termination		Amount of Vacation Pay
6/10 – 6/30/13	14	+	1	=	15	/	20	x	\$3,309	=	\$2,481.75
7/1 – 7/31/13	22	+	1	=	23	/	23	x	\$3,441	=	\$3,441.00
8/1 – 8/12/13	8	+	0	=	8	/	22	x	\$3,441	=	\$1,251.27
	44										\$7,174.02

The vacation payout will be \$7,174.02.