Time Off and Vacation Pay Allowance (Temporary employees)
HR-05-100

About This Policy

Effective Dates:
02-06-2009

Last Updated:
06-27-2013

Responsible University Administrator:
Vice President and Chief Financial Officer

Policy Contact:
IU Human Resources
askHR@iu.edu

Scope

This policy applies to all Temporary employees.

Policy Statement

1. Temporary employees receive pay for the time that they are at work. Temporary employees do not receive pay for time that they are not at work, nor do they accumulate such paid time off benefits as vacation time, income protection time (sick time), holidays, or receive pay for absences for such events as funerals, jury duty, military leave, or time off to vote and address such health and safety issues.

2. Temporary employees continuously employed in the same department prior to July 1, 2009, are eligible for a vacation pay allowance.

3. Temporary employees not eligible for the benefit include the following:
   a. Those hired after July 1, 2009
   b. Those who separate from university employment and who are re-employed after July 1, 2009
   c. Those who transfer to another department, except in the year the transfer occurs if they had worked more than 999 hours in the original department. Only hours worked in the original department will be counted in determining the benefit amount.

4. Eligible employees earn a lump sum vacation pay allowance of one hour of pay for each 12 hours worked in excess of 999 hours in a fiscal year (defined for this policy as the 26 consecutive pay periods beginning with the start of the last full pay period in June) in the same division or department. Check dates are used to determine the first payroll paid in the fiscal year through the last payroll paid in the fiscal year.
   a. Only regular hours are used in the calculation. Overtime hours are excluded.
   b. The maximum amount of vacation pay allowance is 80 hours per year.

Procedure

1. The rate of pay for the vacation pay allowance is the weighted average hourly rate of pay that the employee received for all jobs in the same department during the fiscal year.

2. FMS-Payroll will calculate the number of regular hours that each eligible employee worked and forward to departments the hourly vacation vouchers for those employees who meet the 999 hours of work requirement.
3. Departments are to notify employees of the number of hours worked and the vacation pay allowance earned.

4. Departments are to initiate payment by entering the hourly vacation amount on the hourly voucher using the HVB earn code in the next on-cycle payroll in accordance with FMS-Payroll instructions.

5. This vacation pay allowance is a lump sum payment in lieu of paid vacation time off. All employees who have earned any such allowance are qualified to receive payment even if they have stopped working for the department or separated from the university. Departments must submit adjustment vouchers to pay qualified employees who have transferred to a position in another department or separated from the university.

**Sanctions**

Managers, supervisors, and employees who violate this policy are subject to disciplinary action, up to and including termination.