

**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, June 27, 2014; Amended, November 22, 2024)

**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.

All provisions of this policy shall apply on a pro-rated basis to Regular Status part-time Nonexempt and Exempt Staff employees working 50% or more. Employees working less than 50% of full-time are not eligible to earn annual leave.

**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<sup>st</sup> year: 14 days
2. Beginning with the 2<sup>nd</sup> year through completion of the 2<sup>nd</sup> year: 15 days
3. Beginning with the 3<sup>rd</sup> year through completion of the 3<sup>rd</sup> year: 16 days
4. Beginning with the 4<sup>th</sup> year through completion of the 4<sup>th</sup> year: 17 days
5. Beginning with the 5<sup>th</sup> year through completion of the 10<sup>th</sup> year: 18 days
6. Beginning with the 11<sup>th</sup> year through completion of the 20<sup>th</sup> year: 20 days
7. Beginning with the 21<sup>st</sup> 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. 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 480 hours (60 workdays) of annual leave may be carried into a new calendar year by all Regular full-time employees.

**IV. LEAVE ADVANCEMENT**

- A. With the approval of the institution's Chief Human Resources Officer (CHRO) 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 or designee shall approve the advanced annual leave, 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 a calendar year, a supervisor will, through appropriate channels, recommend to the institution's President or designee that an employee who has been denied requested leave for reasons of institution business necessity on at least two occasions shall be either:
  - 1. 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 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.
- C. The supervisor's recommendation for payment for lost annual leave shall be accompanied by copies of the written requests, denials, and explanations of why the lost annual leave was denied during the calendar year.
- 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.
- 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. IMPACT OF CHANGES IN EMPLOYMENT STATUS**

**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**

## USM Bylaws, Policies and Procedures of the Board of Regents

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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

Employees who leave the University System of Maryland, except under circumstances outlined under VI.C., are entitled to compensation for up to 50 days (400 hours) of annual leave carried over from the previous year plus any unused annual leave that has been credited and is available for use during the year of separation 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 employment in the USM and/or at a State of Maryland agency regardless of the length of the absence, if the service included at least 180 days of continuous and satisfactory performance in an allocated position.

#### 2. Return to USM Service After a Leave of Absence Without Pay

An employee 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.

#### 3. Return to USM Service Upon Reinstatement:

An employee returning to USM service with an authorized status of reinstatement within three years of separation will earn annual leave at the same rate in effect at the time of separation from active service.

**IMPLEMENTATION PROCEDURES:**

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