

Annual Leave

Introduction

An employee accrues vacation leave at the applicable rate beginning on the first day of state employment and ending on the last duty day of state employment. All leave accruals are credited on the first day worked of each calendar month. An employee who is employed by the state during any part of a calendar month accrues vacation leave entitlement for the entire calendar month.

Annual Leave Accrual

The following schedule shows the number of annual leave hours a full-time employee earns based on his or her length of state service and the number of hours an employee can carry forward from one fiscal year to the next. A part-time employee earns a proportionate amount of annual leave based on the hours worked and can carry forward a proportionate amount of the number of hours listed in the schedule.

Employees with Total State Employment of:	Hours Accrued per Month for Full-Time Employment:	Maximum Hours Carried Forward from One Fiscal Year to the Next for a Full-Time Employee:
less than 2 years	8	180
at least 2 but less than 5	9	244
at least 5 but less than 10	10	268
at least 10 but less than 15	11	292
at least 15 but less than 20	13	340
at least 20 but less than 25	15	388
at least 25 but less than 30	17	436
at least 30 but less than 35	19	484
at least 35 years or more	21	532

Employees who retired from state employment on June 1, 2005, or later receive annual leave accruals based on their return-to-work employment date.

Employees who retired from state employment prior to June 1, 2005, will continue to receive annual leave accruals based on total state service credit.

Credit on Return from Leave

An employee who is on leave the first day of the month will receive his or her leave accruals for the month when he or she physically returns to work at their regularly scheduled place of employment. If the employee has been approved to telework, working from home will allow them to earn their leave accruals. Accruals cannot be used retroactively.

Excess Annual Leave Converted to Sick Leave

Annual leave in excess of the amount that an employee can carry forward is credited to the employee's accrued sick leave balance on the first day of the next fiscal year.

Using Annual Leave

Permission Required

An employee must have permission from his or her supervisor to take annual leave. Scheduled leave should be requested far enough in advance for the division to plan for the employee's absence from work.

Low Leave Balance and Payroll

Employees with a low leave balance, which is defined as less than 24 hours of cumulative leave on or before three working days before the end of the month (the direct deposit payroll processing date), may not receive their paycheck via direct deposit. For more details, please refer to the [Direct Deposit Policy](#) in Chapter 8.

Holidays

Employees who are on annual leave are not required to use leave on a state holiday that occurs during their leave.

New Hires

A new employee with no previous state service becomes eligible to take annual leave only after completing six months of continuous employment with the agency. During the six month waiting period, vacation credit is accrued but not granted.

If the new employee has at least six continuous months previous state employment, the employee is eligible to take annual leave without being employed six months by the State of Texas. This includes return-to-work retirees.

An employee who transfers from one state agency to another without a break in service should contact Payroll and Timekeeping in the Budget and Internal Accounting Division and request the agency verify the total months of service and unused annual leave to be transferred from the previous employer.

Leave Accruals While on Leave Without Pay

An employee on Leave Without Pay (LWOP) on the first day of the month will not receive annual and sick leave accruals for that month. If the employee returns to work within the same month, the annual and sick leave accruals will be credited at that time. Annual Leave may not be used retroactively – therefore once the accruals are credited that time may not be applied to absences that occurred previously in the calendar month.

Separation from Employment

When an employee who has completed six or more continuous months of state service separates from employment, the employee will be paid for any unused annual leave unless the employee is employed by another state agency within 30 days of the separation. In that instance, the balance of the unused annual leave will be transferred to the employing agency.

An employee may request to stay on the agency's payroll and exhaust all or part of his or her annual leave balance, rather than receive a lump sum for the total amount. The agency has discretion to grant or deny such a request.

The estate of a deceased employee is entitled to payment for all accrued annual leave.

Withholding from Lump Sum Payments

The agency is required to notify the Office of the Attorney General (OAG) prior to issuing a lump sum payment to an employee of \$500 or more when the agency has received an administrative writ of withholding in a Title IV-D case that requires an employee's income be withheld for child support arrearages.

The agency will not make a lump sum payment for annual leave until it receives authorization from the OAG or until the 10th day after the date the agency made the notification, whichever occurs first.

Questions regarding this notification should be directed to the Payroll section of Budget and Internal Accounting.

Authority

Texas Family Code §158.215

Texas Government Code §661.033

Texas Government Code §§661.062-.067

Texas Government Code §§661.152-.153