PINAL COUNTY POLICY AND PROCEDURE **7.30**

Subject: **VACATION AND TERMINAL VACATION LEAVE**

Date: **November 1, 2024**

Pages: **1 of 3**

Replaces Policy Dated: January 7, 2024

PURPOSE: To establish the means by which Pinal County employees may earn and use Vacation Leave and to provide for the compensation of unused Vacation Leave upon separation from County service.

STATEMENT OF POLICY: Vacation Leave is part of the integrated program of benefits for Pinal County employees. Such leave is intended as a necessary break from normal work duties to allow employees to achieve a healthy work-life balance.

SCOPE: This policy applies to all full-time Pinal County Employees, except Elected Officials. Part- time, temporary, and seasonal employees are not eligible to accrue Vacation Leave.

ACCRUAL RATES: Each pay period Vacation Leave accrues and is calculated on the basis of an employee's years of service.

Vacation Leave accrues for each full hour worked or in a paid status with the following limits:

- Vacation will not accrue during Terminal Vacation Leave taken prior to normal retirement.
- Vacation Leave is not earned for hours worked in excess of 40 hours per week.

The rate of accrual is graduated depending on credited service as shown in the Vacation Leave accrual rate chart below.

Length of Credited Service Months/Years	Days/Hours earned per year	Hours per pay period earned	Hours per Day earned
0 - 36 Months 0 - 3 Years	15 days/ 120 hours	4.62	0.462
37-60 Months 3 - 5 Years	18 days/ 144 hours	5.54	0.554
60 - 180 Months 5 - 15 Years	20 days/ 160 hours	6.15	0.615
15 + Years	20 days/160 hours, plus 8 hours additional accrued for each year thereafter.		

VACATION ACCRUAL RATE FOR NEW HIRES BASED ON CREDITED YEARS OF SERVICE WITH AN ELIGIBLE RETIREMENT SYSTEM: This section is for new hires or rehires to the County who are eligible to start accruing vacation at a higher annual rate based on years of previous participation in the same retirement system. New employees who have prior documented service time with the Arizona State Retirement System or the Public Safety Personnel Retirement System may be eligible to count those years as credited service in determining annual vacation accruals. In order to have vacation accruals calculated on the basis of participation with the retirement system, employees will be required to submit the retirement system annual statement, or equivalent, to Human Resources. Accruals will take effect no later than the first pay period following receipt of such documentation and are not retroactive.

For purposes of this definition, retirees, and those who have refunded or have closed their retirement system account, will not be eligible for credited service towards vacation accruals. Furthermore, service may only be credited from active time with the same retirement system for which the employee is a currently contributing member (e.g. from Public Safety Personnel Retirement System into Arizona State Retirement System is not eligible).

USAGE, TRANSFER, AND MAXIMUM NUMBER OF ACCRUED HOURS: Employees are eligible to use their vacation accruals with prior supervisory approval. Vacation Leave is used in quarter hour increments. Vacation Leave may be used in conjunction with holidays. If a holiday occurs during a period of Vacation Leave, Vacation Leave will not be charged for the holiday. Vacation Leave may be used in conjunction with Sick Leave, when Sick Leave has been exhausted, to cover for extended periods of absence.

An employee who transfers from one County position to another shall retain any accumulated Vacation Leave.

The maximum allowable Vacation Leave accrual limit is 360 hours as of December 31st of each year. Vacation Leave in excess of the accrual limit of 360 hours as of December 31st of each year will roll over and be added to an employee's Sick Leave balance.

PROCEDURE FOR USING VACATION HOURS AND ABSENCE NOTIFICATION: Use of Vacation Leave must be requested in writing, in advance, and be approved by the Appointing Authority, or designee, prior to use.

At the direction of the Appointing Authority and consistent with the employee's role and responsibilities, employees will provide online notification to their coworkers and the public when they are out of the office on vacation and shall indicate in that notification who may be contacted during their absence.

VACATION PAYOUT AT SEPARATION:

Retiring Employees:

Employees who have submitted written notice of normal retirement from Pinal County employment may:

1. Combine their available Vacation Leave accrual balance plus converted Sick Leave, as outlined in Policy 7.50, and receive a lump sum payout for the combined total balance in their final paycheck.

   The Appointing Authority shall coordinate with the Office of Budget and Finance prior to filling the vacancy created by a retiree exercising this option.

2. Combine their Vacation Leave accrual balance and converted Sick Leave, as outlined in Policy 7.50, *in excess of 360 hours,* into a **Terminal Vacation Leave** bank for use during the period prior to the established retirement date.

   a. A request for Terminal Vacation Leave must be made in writing to the Appointing Authority or designee no less than 60 days prior to the start of the proposed leave. Approval shall be granted provided it does not result in a hardship to the Department.

   b. Terminal Vacation Leave may not be scheduled in conjunction with a period of Sabbatical Leave, as outlined in Policy 7.32.

   c. Employees on Terminal Vacation Leave do not accrue sick leave or vacation leave.

   d. Employees on Terminal Vacation Leave remain in an employment status therefore are subject to all Pinal County Policies and Procedures.

Resigning Employees:

Vacation accruals are not compensable if the separation occurs during the initial probationary employment period. Thereafter, up to 360 hours of accrued Vacation Leave will be compensable to an employee who voluntarily or involuntarily separates from County employment at any point prior to their normal retirement.

Any deviation from these rules requires prior approval by the County Manager.