

Subprocess – How to Determine if Holiday Hours are Due

Part of Vacation Time Off Payout
and Death Benefits & Final Wages / Salary Payout Processes

Division of Human Resources and Organizational Effectiveness

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Holiday Hours Payout

- System Regulation 31.03.01 **Vacation** (*other than Death*)

6.1 Except as provided in Section 6.3, an employee who, on the date of separation, is normally scheduled to work at least 40 hours a week will have eight hours added to the employee's accrued vacation for each holiday that is scheduled to fall within the period after the date of separation and during which the employee could have used the time. To determine the period during which vacation could have been used and the number of holidays, the employee's vacation time is allocated over the workdays after the employee's separation and eight hours are added as a holiday occurs during the period.

6.2 For an employee who, on the date of separation, is normally scheduled to work less than 40 hours a week, the number of hours added to the employee's accrued vacation for each holiday is computed per Section 6.1, but is to be proportionally reduced according to the employee's normally scheduled weekly work hours.



Holiday Hours Payout

- System Regulation 31.03.01 **Vacation** (*Death*)

8.2 An employee, who at any time during the employee's lifetime has accrued six months of continuous state employment and at the time of death is normally scheduled to work at least 40 hours a week, will have eight hours added to the employee's total leave balance for each holiday that is scheduled to fall within the period after the date of death and during which the employee could have used leave. To determine the period during which leave could have been used and the number of holidays, the employee's total leave balance is allocated over the workdays after the employee's death and eight hours are added as a holiday occurs during the period. In this section, total leave balance means the sum of the accrued balance of a deceased employee's vacation leave and the lesser of half of the accrued balance of the employee's sick leave or 336 hours of sick leave.

8.3 For an employee who at the time of death is normally scheduled to work fewer than 40 hours a week, the number of hours added for each holiday is computed as provided by Section 8.2, but is to be proportionally reduced according to the lesser number of the employee's normally scheduled weekly work hours.



Holiday Hours Payout

- System Regulation 31.03.02 **Sick Leave** (*Death*)

7.2 An employee, who at any time during the employee's lifetime has accrued six months of continuous state employment and at the time of death is normally scheduled to work at least 40 hours a week, has eight hours added to the employee's total leave balance for each holiday that is scheduled to fall within the period after the date of death and during which the employee could have used leave. To determine the period during which leave could have been used and the number of holidays, the employee's total leave balance is allocated over the workdays after the employee's death and eight hours are added as a holiday occurs during the period. In this section, total leave balance means the sum of the accrued balance of a deceased employee's vacation leave and the lesser of half of the accrued balance of the employee's sick leave or 336 hours of sick leave.

7.3 For an employee who at the time of death is normally scheduled to work fewer than 40 hours a week, the number of hours added for each holiday is computed as provided by Section 7.2, but is proportionally reduced according to the lesser number of the employee's normally scheduled weekly work hours.



Early Release

Early Release is not Holiday Pay

Holiday Pay should only be considered for those official holidays approved by the A&M System Board of Regents. Do not include early release hours in the holiday field of the PPR or Death Payout Form..

TAMU, TAMUG & TAMHSC:

See University Holiday Calendar on HROE website

Other Shared Services See:

A&M System Holidays



Counting Forward

- University Holiday Calendar or A&M System Holidays
- Start count the working day after termination; if a holiday(s) occurs, skip over and resume your count on the first working day after the holiday(s).
- Any partial hours left cover the last working day, where you end your count forward.
 - Example 5.25 hours left; this would be your last working day.



Biweekly Example (other than Death)

- Scenario
 - Full-time Staff (100% effort)
 - Termination Date is January 12, 2023
 - Hourly Wage at last accrual was \$ 23.00/hour
 - Accrued Vacation Time Off Hours at termination is 410.00
 - Formula to convert accrued hours to working days
 - Number of accrued hours divided by 8.00 hours per day
- (for our biweekly example this is 410.00 hours / 8.00 hours per day = **51.25** working days to count forward)*



Start count in January

12 = Termination / last day worked

13 = 1

16 = MLK Holiday (*skip over*)

17 = 2

18 = 3

19 = 4

20 = 5

26 = 9

23 = 6

27 = 10

24 = 7

30 = 11

25 = 8

31 = 12

JANUARY 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

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Start Count Forward – 1 Holiday to include and 12 working days forward



Continue Count in February

FEBRUARY 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28				

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- 20 working days in February
- No TAMU Holidays

On-Going Count

**1 Holiday to include and
32 working days forward**



Continue / End Count in March

1 = 33
 2 = 34
 3 = 35
 6 = 36
 7 = 38
 8 = 39
 9 = 40
 10 = 41
 13 = 42
 14 = 43
 15 = 44
 16 = 45
 17 = Spring Break Holiday (skip over)

20 = 46
 21 = 47
 22 = 48
 23 = 49
 24 = 50
 27 = 51
 28 = .25 (end count)

MARCH 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

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**Final Result – Employee is due 2 Holiday Days (MLK and Spring Break)
 = 16.00 hours added to PPR**



Biweekly PPR Completion

- Example of Vacation/Holiday Payout section of PPR for Biweekly

VACATION/HOLIDAY PAYOUT

Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.

Vacation hours due: 410 Holiday hours due: 16 Total combined vacation / holiday hours: 426
Number of hours to be paid 426 x Hourly rate \$ 23.00 = \$ 9,798.00 Gross vacation/holiday payout

TDA/DCP Deferral Requested: No Yes (If yes, attach TDA/DCP One Time Lump Sum Deferral Form)

Note: Maximum number of vacation hours is 784. Calculation of holiday hours due begins the day after last day worked in the eligible position and goes forward in time to include any holidays falling within the time frame of the employee's available vacation hours. To determine holiday pay eligibility, refer to System Regulation 31.04.01 Sec. 3.

All lump sum payouts will be processed on a biweekly payroll following the employee's final regular hourly or salary pay.

Costing Allocation(s): ACAP

(Costing Allocation is required for Faculty payout—Dept or College is 100% responsible; staff is paid using ACAP funds.)



Monthly Holiday Notes

- Holiday determination for monthly paid staff is the same as for biweekly staff
- The PPR includes a section that will automatically calculate an hourly rate for monthly payout. Just plug the 100% FTE Monthly Salary * at last accrual into the **Hourly rate** field in the payout section. See example below:

If submitting this request for vacation/holiday payout to a monthly paid employee, calculate an hourly rate to be used below:		
Monthly salary \$ 6,525.00	x 12 / 2080 =	\$ 37.64
VACATION/HOLIDAY PAYOUT		
Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.		
Vacation hours due: 410	Holiday hours due: 16	Total combined vacation / holiday hours: 426
Number of hours to be paid 426	x Hourly rate \$ 37.64	= \$ 16,034.64 Gross vacation/holiday payout
TDA/DCP Deferral Requested: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (if yes, attach TDA/DCP One Time Lump Sum Deferral Form)		
Note: Maximum number of vacation hours is 784. Calculation of holiday hours due begins the day after last day worked in the eligible position and goes forward in time to include any holidays falling within the time frame of the employee's available vacation hours. To determine holiday pay eligibility, refer to System Regulation 31.04.01 Sec. 3.		
All lump sum payouts will be processed on a biweekly payroll following the employee's final regular hourly or salary pay.		
CostingAllocation(s):ACAP		
(Costing Allocation is required for Faculty payout—Dept or College is 100% responsible; staff is paid using ACAP funds.)		

** Even if employee is less than 100% FTE, you must use the 100% FTE monthly salary to calculate hourly rate, not the prorated monthly salary amount*



Staff at Less than 100% Effort – Count Forward

You will not use full-time hours (8.00 hours) for Benefit-eligible Staff at less than 100% effort when figuring their count forward; you will multiple their accrued vacation time off hours by their prorated working hours per day to obtain how far to count forward. See below:

➤ **Example #1** – employee is at 84.28% effort; 8.00 hours per day (FTE 100% hours) x 84.28% effort = 6.74
prorated working hours per day

Calculating Count Forward Days

Accrued vacation time off hours are 410.00; 410.00 divided by 6.74 = 60.83 days to count forward

➤ **Example #2** – employee is at 50% effort; 8.00 hours per day (FTE 100% hours) x 50.00% effort = 4.00
prorated working hours per day

Calculating Count Forward Days

Accrued vacation time off hours are 410.00; 410.00 divided by 4.00 prorated working hours per day = 102.50
days to count forward

You will count forward more days for less than 100% staff



Staff at Less than 100% Effort – Holiday Hours

Benefit-eligible Staff at less than 100% effort cannot receive full-time holiday hours (8.00 hours) per eligible day; they will receive holiday hours at a rate corresponding with their percent effort. See below:

- Figuring Holiday Hours for staff at less than 100% effort

- Example #1 – Staff receiving payout is at 84.28% effort

Formula is 8.00 hours per day (FTE 100% hours) x 84.28% effort = 6.74 Holiday hours per eligible day

- Example #2 = Staff receiving payout is at 50.00% effort

Formula is 8.00 hours per day (FTE 100% hours) x 50.00% effort = 4.00 Holiday hours per eligible day

Formula confirmed by Karol Patrick, Leave Administrator; HROE Employee Relations



Staff at Less than 100% Effort PPR

Example of Vacation/Holiday Payout and Explanation Sections of PPR for staff terminating at 84.28% effort with 2 eligible holidays counting forward

VACATION/HOLIDAY PAYOUT

Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.

Vacation hours due: 410.00 Holiday hours due: 13.48 Total combined vacation / holiday hours: 423.48
Number of hours to be paid 423.48 x Hourly rate \$ 23.00 = \$ 9,740.04 Gross vacation/holiday payout
TDA/DCP Deferral Requested: No Yes (If yes, attach TDA/DCP One Time Lump Sum Deferral Form)

Note: Maximum number of vacation hours is 784. Calculation of holiday hours due begins the day after last day worked in the eligible position and goes forward in time to include any holidays falling within the time frame of the employee's available vacation hours. To determine holiday pay eligibility, refer to System Regulation 31.04.01 Sec. 3.

All lump sum payouts will be processed on a biweekly payroll following the employee's final regular hourly or salary pay.

Costing Allocation(s): ACAP

(Costing Allocation is required for Faculty payout—Dept or College is 100% responsible; staff is paid using ACAP funds.)

EXPLANATION – For audit purposes, enter a detailed description or reason(s) for the pay requested in all sections of this form.

Employees position was at 84.28% effort at last accrual; holiday hours are prorated to 6.74 per eligible day

Employee terminated 1.12.2023 and requests lump sum payout.



Death Benefits

Death of Active Employee is only scenario whereby ½ of accrued Sick Time Off, up to a maximum of 336.00 hours, can be paid out.

For Full-time Staff (working at least 40.00 hours per week), the accrued Sick Time Off hours eligible to be paid should be combined with the accrued Vacation Time Off hours; you will take this combined total and divide by 8.00 to get the number of days to count forward to determinate if Holiday hours should be added.

- **Example * 460.00 hours accrued vacation plus 120.00 hours sick time off eligible to be paid out = 580.00 hours**
- **580.00 hours / 8.00 hours per day = 72.50 days to count forward**

This may mean you will be including more holidays than just considering vacation hours in your count forward

NOTE: For Staff at less than 100% effort, the number of hours added for each holiday is proportionally reduced according to their work schedule (see slide 14)



Death Benefits – Biweekly PPR Example

* Regardless if there are any Accrued Wages to payout, the hourly rate at time of death must be entered in the highlighted field for this rate to auto-populate in other sections within the form.

ACCRUED WAGES PAYOUT (Hours worked prior to death)			
<i>Attach a copy of the final timesheet(s) with hours due approved by manager or timekeeper.</i>			
Straight time hours due: 0.00	Hourly pay rate: \$23.00	Gross pay due (Straight time hours):	\$ 0.00
Overtime hours due: _____	Overtime pay rate: _____	Gross pay due (Overtime hours):	\$ 0.00
Other pay due (List each & its gross amount (longevity, allowance, etc.): _____)			
Costing allocation(s): _____			
SICK TIME OFF PAYOUT			
<i>Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.</i>			
NOTE: Maximum number of sick leave hours for estate of deceased employee is the lesser half (1/2) of the employees accumulated sick leave or a maximum of 336 hours.			
Sick Time Accrual	240	/ 2 = 120	x hourly rate: \$ 23.00 = \$ 2,760.00
Gross sick time off due			
Costing allocation(s): 02-123456-00000			
VACATION/HOLIDAY PAYOUT			
<i>Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.</i>			
Vacation hours due:	410	Holiday hours due:	24
Total combined vacation/holiday hours:		434	
Number of hours to be paid	434	x Hourly rate	\$ 23.00 = \$ 9,982.00
Gross vacation/holiday payout			
TDA/DCP Deferral Requested: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (If yes, attach TDA/DCP One Time Lump Sum Deferral Form)			
Note: Maximum number of vacation hours is 784. Calculation of holiday hours due begins the day after last day worked in the eligible			



Death Benefits – Monthly PPR Example

* Regardless if there is any Accrued Salary to payout, the monthly salary at time of death must be entered in the highlighted field for an hourly rate conversion to auto-populate in other sections within the form.

Calculate an hourly rate for the monthly employee to be used below: Monthly salary \$ 5,650.00 x 12 / 2080 = \$ 32.60
ACCRUED SALARY PAYOUT (Days worked prior to death.) Attach a copy of the Partial Month Worksheet for less than full month worked.
Gross salary due (from worksheet): 0.00 Other pay due (List each & its gross amount (longevity, allowance, etc):
Costing allocation(s):
SICK TIME OFF PAYOUT Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.
NOTE: Maximum number of sick leave hours for estate of deceased employee is the lesser half (1/2) of the employee's accumulated sick leave, with a maximum of 336 hours. Sick time accrual 240 / 2 = 120 x Hourly rate \$ 32.60 = \$ 3,911.54 Gross sick time off due
Costing allocation(s): 02-123456-00000
VACATION / HOLIDAY PAYOUT Attach the Before Adjustment & After Adjustment Time Off Balance Reports to verify the number of hours to be paid, and the zero balance in Workday.
Vacation hours due: 410 Holiday hours due: 24 Total combined vacation / holiday hours: 434 Number of hours to be paid 434 x Hourly rate \$ 32.60 = \$ 14,146.73 Gross vacation/holiday payout TDA/DCP Deferral Requested: <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (If yes, attach TDA/DCP One Time Lump Sum Deferral Form) Note: Maximum number of vacation hours is 784. Calculation of holiday hours due begins the day after last day worked in the eligible position and goes forward in time to include any holidays falling within the time frame of the employee's available vacation hours. To determine holiday pay eligibility, refer to System Regulation 31.04.01 Sec. 3. Payouts will be entered on-cycle and will fall on what would have been the employees upcoming monthly pay day.
Costing Allocation (s): ACAP <small>(Costing Allocation is required for Faculty payout—Dept or College is 100% responsible; staff is paid using ACAP funds.)</small>



Final Thoughts

- Holiday Hours Calculation for Payout is required by System Regulations
- Start count the working day after termination; if a holiday(s) occurs, skip over and resume your count on the first working day after the holiday(s)
- Any partial hours left cover the last working day, where you end your count forward.
- Early Release is not Holiday Pay





Questions?
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& Organizational Effectiveness