

Updated 12.18.2025

“Use or Lose” Annual Leave - Vacation

Effective January 1, 2026, Centenary College will discontinue a “carry forward” annual leave program. In addition, the annual leave accrual program will transition from a calendar to a fiscal year. For those full-time employees who already have accrued but unused vacation under the prior “carry forward” policy, the employees will not earn or accrue any additional vacation under the new policy unless and until they exhaust their accrued but unused vacation leave balances under the prior policy and they will be given until the end of June 2027 before subject to the “use it or lose it” provisions. Going forward, all full-time employees will be required to use or lose their accrued vacation within a fiscal year (1 July – one week before June 30). Employees will no longer be permitted to carry forward unused leave balances from year to year.

Purpose:

To provide a period of vacation in recognition of the need of employees for rest and relaxation and to encourage continued employment and reward continuous service.

Definitions

The following definitions will apply to the administration of this policy:

Full-time: a staff member employed by the College on a permanent basis working 40 hours per week.

Advancing Vacation – means taking paid time off before you have actually earned it, essentially borrowing from future accruals

Accrued Vacation time – is paid time off (PTO) that employees earn gradually over time as they work, rather than getting it all at once (lump-sum).

Eligibility

- All full-time exempt and non-exempt staff employees
- Employees hired before January 1, 2026 are required to exhaust all of their current leave balance before earning or accruing any additional vacation hours under the new policy in accordance with the below chart. These employees will have until June 23, 2027 to accomplish this task either by taking time off or by voluntarily selling back the accrual balance at 50% of the employee's pay rate, i.e. if an employee is making \$25 per hour, that employee can voluntarily elect to sell vacation back at \$12.50 per hour. Once an employee exhausts his/her pre-existing balance, the employee will begin to accrue vacation under this policy going forward.

Benefit

Eligible staff employees begin to accrue vacation leave beginning on an employee's **most recent** date of hire. Except as otherwise provided in this policy, Employees shall earn annual leave in accordance with the below schedule based on their most recent date of hire. Vacation is accrued monthly in hourly increments.

Full-Time Exempt

Years	Monthly Accrual Rate	Max Annual Accrual	Days Earned Per Year
0 -2 + *	10	120	15
3-5+	15	180	22.5
6-10+	20	240	30
11 >	30	360	45

* = Current employees hired before January 1, 2026
with 0-2+ years will maintain accruing 180 hours

Full- Time Non-Exempt

Years	Monthly Accrual Rate	Max Annual Accrual	Days Earned Per Year
0- 1+	6.7	80	10
2-10+	15	180	22.5
11 >	21	252	31.5

The maximum amount of vacation hours an employee accrues or may accumulate is determined by the above chart.

Except as otherwise provided in this policy regarding the transition to the new policy for existing employees having accrued but unused vacation leave balances, at the end of the of each fiscal year, any accrued unused vacation will be forfeited.

Selling back Vacation accrued hours on or before Dec 31, 2025

For Employees wanting to sell back all or a portion of their current accrued vacation bank balance, please use the following link to apply: [Vacation Sell Back request form](#). We will only consider requests sent from your centenary.edu account. Priority will be based on a first come, first serve basis. If you are expecting pay in December, we must receive your E-mail no later than noon December 22, 2025.

The sell back vacation hours program is available to employees with a remaining accrued leave balance until June 2027. This program is not applicable once you have transitioned into the “Use it or Lose it” vacation program.

WE WILL ONLY ACCEPT EMAILS FROM YOUR CENTENARY ACCOUNT. ALL OTHERS WILL DISREGARDED.

How the Policy Works (for employees without pre-existing vacation leave balances under the former policy)

1. **Initial Advance (Lump-Sum) (commencing July 1, 2026):** At the beginning of the fiscal year (e.g., July 1st) or upon hire, an employee is advanced 50% of their total annual vacation entitlement to be earned in that fiscal year. For example, if the annual entitlement is 10 days, 5 days are available for use immediately.
2. **Transition (January thru June 2026) and Second Advance (Remaining Sum):** The remaining 50% of the vacation time is advanced for use (which represents vacation that will be earned in the remaining six months of the fiscal year) on 1 January.
3. **Usage:** The employee can use the advanced time immediately, and any additional time as it is accrued. If the request is more than what is available, the employees vacation bank will go negative.
4. **Use it or Lose it Timeframe:** Employees must have either used their vacation or have (through eSelfServe) supervisor approved vacation scheduled one week before June 30th or the unused balance will be forfeited
5. **Termination Clause:** If an employee leaves the college before they have fully accrued any advanced vacation time they have already used or taken, the college will deduct the value of the advanced but unearned, used vacation days from the employee's final paycheck. If an employee has earned unused vacation still available for use at the time of separation, they will be paid the value of this unused leave in their final paycheck.

Use of Vacation Leave

All employees are encouraged to take their accrued vacation time to maintain a positive work/life balance. While granting of vacation time is at the discretion of the College, the College generally may grant requests for time off when possible, taking business needs into consideration. Ordinarily, supervisors strive to approve reasonable requests; however, based on departmental needs, supervisors may deny staff employees' requests to be away during specific time-periods or for extended vacations. Staff employees must obtain their supervisors' approval before taking vacation time.

When using vacation time, an employee shall make a good faith effort to provide advance notice of this need to their supervisor. An employee shall comply with their department's procedure for requesting and approving vacation time. As a general rule it is expected that an employee will submit a request to their immediate supervisor using eSelfServe at least two (2) weeks in advance of the desired Vacation Leave. The two (2) week requirement may be shortened in unusual situations. You must have your manager/supervisor's approval to take vacation time off.

It is the responsibility of the employee and their supervisor to ensure that the vacation balance is accurate. When vacation time has been reported incorrectly in a prior pay period, the employee and/or their supervisor must notify payroll so the proper adjustment can be made.

Exempt employees are required to use accrued leave when on vacation or other forms of personal matters when they will be out of the office for 3 or more hours. If during your PTO you perform duties on behalf of the College, do not record that specific timeframe as vacation, the remaining will be appropriately charged as vacation.

Non-exempt employees may request to use leave accruals for partial day absences in increments of one (1) hour or longer. An employee with approved intermittent Family Medical Leave must record each hour not worked

Partial day absences may not be used on a regular basis as a form of compensatory leave, or to change the agreed-upon work schedule. If an employee has or intends to have, regular absences from work that deviate from their normal work schedule, they should use accrued leave or explore flexible

work options. This is true even if the regular absences are less than four hours. If a supervisor believes that partial day absences are being used inappropriately, they should clarify expectations related to appropriate use. The expectation is that an employee will complete their duties within the normal timelines when they use partial day absences.

Other Provisions

- **Employees are required to enter their time off request in eSelfServe.**
- Earned but unused vacation hours will be paid out if there is a status change to a non-benefits eligible position or a position that does not earn vacation hours.

Employees who believe their pay has been improperly reduced and/or have any questions regarding this policy should contact the Director of Human Resources.