

**MEMORANDUM**

TO: Chancellors

FROM: President James B. Milliken 

cc: Vice Presidents

DATE: April 19, 2013

RE: Paid Holiday Leave Policy

University-wide policies on leave were established in concert with campus chancellors in 2006. A reiteration of policies around uniform treatment of holiday leave is included below. These policies should be incorporated into human resources handbooks of all campuses if that has not already been accomplished.

The State of Nebraska now annually recognizes twelve legal holidays. All days declared by law or proclamation of the President of the United States or Governor to be paid holidays will be observed. The University requires that University offices remain open and staffed on certain days designated by the State of Nebraska as holidays. These days are referred to in this policy as Floating Holidays. Employees should be notified annually of scheduled holidays. This policy addresses how University employees will receive compensation for designated holidays when they are in a paid status on those days.

1. **Floating Holidays.**

- A. There are four paid floating holidays (President's Day, the third Monday in February; Arbor Day, the last Friday in April; Columbus Day, the second Monday in October; and Veteran's Day, November 11). When a holiday falls on a Saturday or Sunday, it is observed on the preceding Friday or following Monday. Most University offices are open on floating holidays. Employees who are in a paid status on a floating holiday will also accumulate one hour of deferred floating holiday leave for each hour they are in a paid status on a floating holiday. Not more than eight hours of base pay may be accumulated as deferred floating holiday leave on a floating holiday.
- B. The University will maintain an accurate and uniform record of employee deferred floating holiday leave balances.

- C. Floating holidays are capped so that not more than 32 hours of deferred floating holiday balance may be accrued. If an employee's balance of deferred floating holiday leave is in excess of 32 hours, the employee must first submit floating holiday leave requests to bring the employee's deferred holiday leave balance to 32 or less prior to submitting leave requests that may be drawn against accrued vacation leave. Floating holidays must be used within twelve months of being granted. Leave accounting will be adjusted so that any individual with a deferred floating holiday leave balance of 32 hours or greater at the time a floating holiday occurs will not accrue any additional floating holiday leave until the individual's deferred floating holiday leave balance falls below 32 hours. Individuals with a deferred floating holiday leave balance of 32 hours will be notified before the date of the next scheduled floating holiday to avoid continued operation of the cap.
- D. Except as provided in Part 3, B, or unless otherwise addressed in an individual contract of employment, this rule is intended to apply to two Bylaw categories of employees (Professional, Office and Service) whether they are subject to the overtime provisions of federal Fair Labor Standards Act (FLSA) or overtime exempt.

2. **Observed Holidays.**

- A. There are eight paid University observed holidays (New Year's Day, January 1; Martin Luther King Day, the third Monday in January; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Thanksgiving, the fourth Thursday in November and Friday following Thanksgiving; and Christmas Day, December 25). When a holiday falls on a Saturday or Sunday, it is observed on the preceding Friday or following Monday. Most University offices are closed on observed holidays. Employees may be required to work on an observed holiday. Employees who work on an observed holiday will accumulate one hour of deferred observed holiday leave for each hour they work on an observed holiday. Work on observed holidays must be specifically approved by the employees' supervisor in order to be credited to the employees' holiday leave balance. Not more than eight hours of base pay may be accumulated as deferred observed holiday leave on an observed holiday.
- B. The University will maintain an accurate and uniform record of employee deferred observed holiday leave balances.
- C. Deferred observed holidays must be used within twelve months of being granted.
- D. Except as provided in Part 3, B, or unless otherwise addressed in an individual contract of employment, this rule is intended to apply only to regular Professional and Office Service employees whether they are subject to the overtime provisions of FLSA or overtime exempt.

3. **Eligibility Limitations; Required Use of Paid Holiday Leave; Payment.**

- A. Regular part-time employees are eligible for paid holiday leave on a pro rata basis at their base rate of pay. An employee must be in a pay status for all scheduled hours on both the last scheduled workday immediately prior to a holiday and on the first scheduled work day immediately following the holiday to be eligible to receive paid holiday leave. An eligible employee who is on an un-excused leave of absence without pay on a scheduled workday immediately preceding or immediately following a holiday is not allowed to be paid for that holiday or to receive a compensatory day off for that holiday.
- B. Employees who are not in an active employment status will not be paid for or accrue floating or observed holiday leave for any holidays that occur during months when their employment status is not active. Temporary Professional, Office and Service category employees are not eligible to receive floating holiday pay unless they actually put in work hours on a floating or observed holiday. Student employees are not eligible to receive floating or observed holiday pay unless they have recorded authorized hours worked on a holiday. Faculty members employed on an academic year basis receive paid holiday leave as part of their remuneration paid over twelve months.
- C. Deferred floating holiday leave must be scheduled by the employee as paid leave to be included in a pay period. Observed holidays are automatically scheduled to be paid in the month when the holiday is to be observed. An employee must report hours worked on an observed holiday during the pay period when the hours were worked for purposes of deferred observed holiday leave balance accounting.
- D. An eligible employee in a paid status on a floating or observed holiday shall be granted, for use during the following twelve months, an hour of deferred floating or observed holiday leave for each hour the employee was in a paid status on the floating or observed holiday. Use of deferred holiday leave time should be scheduled at a time that is mutually agreed upon by the department and the employee. Deferred floating or observed holiday leave must be used within twelve months of the floating or observed holiday for which the hours were recorded.
- E. Employees who separate from University employment prior to use of deferred holiday leave shall be paid for accumulated hours at their normal base pay rate. Such payments shall be separately accounted from any unused vacation, compensatory time and sick leave, if any, payable to an employee upon separation from University employment. "Separation" is defined as an employee's retirement, resignation, or other administrative action that terminates employment with the University of Nebraska or any other institution or unit designated by the Legislature as being under the control of the Board of Regents of the University of Nebraska. Employees moving within the University system or to another unit

under the control of the Board of Regents are not eligible for payment of accumulated vacation, holidays or leave. Units or entities under the control of the Board of Regents rehiring former employees are subject to repaying the entity formerly employing the employee if the break in service is less than twelve months after separation. The foregoing shall not apply to an employee separated due to a reduction in force or to an employee who moves from eligible status to an ineligible type of employment.

4. **Deferred Holiday Leave Accumulated Before Effective Date.**

- A. Employees with a deferred holiday leave account balance in excess of the limits established by this policy—32 hours of deferred floating holiday leave and/or any deferred observed holiday leave—are required to use such excess balance by not later than December 31, 2013.
- B. After January 1, 2014, all employees with floating holiday leave in excess of 32 hours will have their floating holiday leave balances adjusted to the policy limits. All unused observed holidays earned prior to January 1, 2013 will lapse at January 1, 2014.