

Managing Upcoming Vacation Benefits Changes

**An Interactive Online Information Session
for Supervisors**



Today's Objectives

- 01 Understand the upcoming vacation changes
- 02 Learn how the transition year will work
- 03 Understand your role as a supervisor
- 04 Discuss strategies for balancing leave requests with business needs
- 05 Questions



Overview of Changes

Effective July 1, 2026	<ul style="list-style-type: none">• Nonexempt vacation accrual rates for years 0-9 are increasing• Vacation payouts are limited to a maximum of 12 days
Effective July 1, 2027	<ul style="list-style-type: none">• Vacation carryover into a new fiscal year is limited to 12 days
What's NOT changing?	<ul style="list-style-type: none">• Vacation accrual rates for exempt staff and nonexempt staff years 10+• Vacation can still be carried over year to year<ul style="list-style-type: none">◦ Into July 1, 2026: up to what was accrued in the last year• Vacation will still be paid out for separation of employment• Holidays remain 12 per year (combination scheduled/floating)



Why Are We Making These Changes?

- Thoughtful decisions are needed to balance priorities, resources, and long-term sustainability. These changes are only one piece of a multi-faceted strategy of resource management that spans the range of everything Lehigh does.
- These efforts allow Lehigh to maintain financial strength and stability.
- Through this approach, we have been able to avoid more significant impacts while continuing to provide competitive benefits for our employees and an outstanding student experience.



Narrowing the Vacation Benefits Gap

Non-exempt Staff

Historically, exempt and nonexempt staff members have not earned vacation at the same rate. To increase equity among staff groups, we will narrow this gap by increasing nonexempt vacation benefits in years 0 to 9, effective **July 1, 2026**.

Effective July 1, 2026:

Years of Service	Annual Accrual	Increase from Prior
0-4	14 days	+4 days
5-9	16 days	+1 day
10-14	20 days	n/a
15+	25 days	n/a



Vacation Carryover Change & Transition Year

Effective July 1, 2026: Transition Year Ends June 30, 2027

Currently, staff may carry over what is actually accrued in the fiscal year (July 1 through June 30). **Staff may still carry over one fiscal year's worth of accrued, unused time into July 1, 2026.**

Staff have until June 30, 2027 to spend down their excess vacation time above 12 days.

Starting July 1, 2027, the carryover for **all** staff will be limited to a maximum of 12 days.



Vacation Payout Change

Effective July 1, 2026

Currently, staff may receive a vacation payout up to what is actually accrued in the 12 months leading up to their separation date.

Starting July 1, 2026, the maximum vacation payout will be limited to 12 days.

Staff members, including prospective retirees, need to actively work during their last two weeks of employment. Vacation should not be approved and taken within the last two weeks of employment.



Tools for Supervisors

Review Team Leave Balances

Supervisors can view their direct reports' leave balances within Banner Self Service.

Monitor those with larger balances and begin having discussions with them now.

Vacation Planning Gem

All staff have access to a new GEM to help project vacation balances and strategize ways to spend down vacation.

The GEM can also be utilized to assist you as a supervisor to balance team requests.

Early Planning and Blackout Periods

Vacation requests may be denied based on business needs.

Encourage your team to start their vacation planning now so you are not caught with multiple requests in the last quarter of the fiscal year.

Blackout periods can be implemented during busy times.



Accessing Direct Reports' Leave Balances

Employee Dashboard • My Team

My Team

Search on ID or Name

Team Member	Team Member	Team Member	Leave Balances
Team Member	Team Member	Team Member	Leave Balances
Team Member	Team Member	Team Member	Leave Balances

Employee Leave Balance (Balances reflect current accrued hours; leave usage is reflected one full pay period after it is taken)

Vacation	
Beginning Balance	17.52
Earned	103.92
Taken	89.00
Vacation in hours	32.44

Floating Holiday	
Beginning Balance	0.00
Earned	22.50
Taken	22.50
Floating Holiday in hours	0.00

Sick Leave/Excused Absence	
Beginning Balance	54.50
Earned	112.50
Taken	121.00
Sick Leave/Excused Absence in hours	46.00

- Access via **Banner Self Service**
- On **Employee Dashboard**, select "My Team"
- Each direct report* will have a link to "Leave Balances"
- A new window opens that shows vacation, floating holiday and sick leave balances

*If you supervise a staff member with direct reports, you will also be able to view each staff member's leave balances in the reporting hierarchy.



Determining Vacation Balances

Banner Self-Service:

employeessb-prod.ec.lehigh.edu/EmployeeSelfService

Maximum carryover (hours)*:

- Nonexempt (37.5): 90
- Nonexempt (40) and Exempt: 96

*if less than 100% FTE, prorate carryover accordingly

Vacation

Beginning Balance	182.75
Earned	146.70
Taken	172.00
Vacation in hours	157.45

Beginning balance: hours carried over from prior fiscal year *plus* the current fiscal year's first accrual

Earned: accrued hours to date in the current fiscal year, does *not* include the first accrual of the fiscal year

Taken: current fiscal year usage, one pay period lag



Vacation Day Calculator Gem

V

Vacation Day Calculator

I am a supervisor and I want to space out 4 of my team members' vacation throughout the year. Can you help me figure out each of their projected leave balances and how they can all spend down their days? We are busy in June, so ideally, they will take leave before then.

Vacation Day Calculator • Custom Gem

Welcome to the Lehigh University Vacation and Accrual Planner AI! I am here to help you calculate projected vacation days through July 1, 2027, and strategically plan time off so your team members carry over exactly 12 days (or fewer) by July 1, 2027, avoiding any "use-it-or-lose-it" penalties.

I would be more than happy to help you figure out the projected leave balances for your four team members and map out a plan to spend down their days before your busy period in June. Would you like help planning their vacation for FY27 (July 1, 2026 to June 30, 2027)?

- [Access](#) via HR's website (under "Benefits and Rewards")
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct reports' vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Vacation Day Calculator Gem

To get started, please provide the following information for each of your four team members:

- 1 **Current vacation balance:** How many days do they currently have banked? *(Please note: If we are reviewing this before July 1, 2026, employees are subject to "current vacation carryover rates." This means they may only carry over a maximum of one year of vacation accrual on July 1, 2026. For example, if their annual accrual rate is 22 days per year, but they have 25 days accrued on June 11, they will forfeit 3 days on July 1, 2026. After July 1, 2026, the maximum carryover will be 12 days for everyone).*
- 2 **Annual accrual rate:** How many days do they earn per year (e.g., 22 days per year)? If you do not know a team member's exact accrual rate, please let me know if they are an exempt or non-exempt employee and how long they have worked at Lehigh, and I can calculate it for you.
- 3 **Planned vacation days:** Do they have any currently approved or planned vacation days already scheduled for the remainder of the year?

Once you respond with these details, I will project their balances and we can work on a personalized breakdown to ensure their time off is spaced out efficiently!

Yes, Team Member 1 has a bank of 15 days and accrues 14 days a year. They have 3 planned days off on 9/14, 10/23, and 12/23. Team Member 2 has a bank of 22 days and accrues 22 days a year. They have a week planned off from 9/21-9/25 and days planned off on 12/28, 12/29, 12/30. Team Member 3 has a bank of 25 days and accrues 25 days a year. They have 12/28, 12/29, and 12/30 off as well as 1/18 to 1/29. Team member 4 has 3 days banked and accrues 16 days a year. They don't have time off yet.



- [Access](#) via HR's website under "Benefits and Rewards)
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct report's vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Vacation Day Calculator Gem

1. Team Member 1 (Non-Exempt)

- **July 1, 2026 Capped Balance:** They currently have 15 days banked, but their annual accrual rate is 14 days. Under current carryover rules, they forfeit 1 day on July 1, 2026, so their starting FY27 balance is **14 days**.
- **FY27 Accrual:** 14 days (112 hours)
- **Already Planned Days:** 3 days (9/14, 10/23, 12/23)
- **Projected EOY Balance (No Action Taken):** 14 (Starting) + 14 (Accrued) – 3 (Planned) = **25 days (200 hours)**
- **Days to Take to Avoid Penalty:** To leave exactly 12 days (96 hours) by July 1, 2027, they must take **13 additional days (104 hours)** before June.
- **Personalized Strategy:** Since non-exempt employees record time by the hour, they don't need to take full days and can utilize shorter breaks.
 - *Q1 (July–Sept):* Take 3 days (e.g., spread out as 24 hours of early-release Fridays in August).
 - *Q2 (Oct–Dec):* Take 3 days (e.g., extend the Thanksgiving break).
 - *Q3 (Jan–March):* Take a full 5-day week off in February to rest during the winter.
 - *Q4 (April–May):* Take 2 days (e.g., two long weekends in May before the June rush).

- [Access](#) via HR's website under "Benefits and Rewards)
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct reports' vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Vacation Day Calculator Gem

2. Team Member 2 (Exempt)

- **July 1, 2026 Capped Balance:** 22 days. Based on their 9 years of service, the Vacation Policy dictates their annual accrual rate is 22 days. Since their bank doesn't exceed this, they forfeit 0 days and start with **22 days**.
- **FY27 Accrual:** 22 days (176 hours)
- **Already Planned Days:** 8 days total (5 days from 9/21–9/25, plus 3 days on 12/28, 12/29, 12/30)
- **Projected EOY Balance (No Action Taken):** 22 (Starting) + 22 (Accrued) – 8 (Planned) = **36 days (288 hours)**
- **Days to Take to Avoid Penalty:** To reach the 12-day limit (96 hours), they must take **24 additional days (192 hours)** before June.
- **Personalized Strategy:** Exempt employees record vacation in 4-hour increments (half days or full days). They have a large balance to spend down:
 - *Q1 (July–Sept):* They already have a week in September. Suggest adding 4 additional days (e.g., two 2-day blocks in July and August).
 - *Q2 (Oct–Dec):* They have 3 days in December. Suggest 6 more days (e.g., a full 5-day week off in October, plus a half day here and there).
 - *Q3 (Jan–March):* Schedule 8 days (e.g., a full 5-day week in February and three individual long weekend days).
 - *Q4 (April–May):* Schedule 6 days (e.g., a full 5-day week in April and a long weekend in May).

- [Access](#) via HR's website under "Benefits and Rewards)
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct reports' vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Vacation Day Calculator Gem

3. Team Member 3 (Exempt/Non-Exempt 15+ Years)

- July 1, 2026 Capped Balance: 25 days. Their 25-day bank matches their 25-day annual accrual rate, meaning they forfeit 0 days and start with 25 days.
- FY27 Accrual: 25 days (200 hours)
- Already Planned Days: 13 days total (3 days on 12/28–12/30, plus 10 working days from 1/18–1/29)
- Projected EOY Balance (No Action Taken): 25 (Starting) + 25 (Accrued) – 13 (Planned) = 37 days (296 hours)
- Days to Take to Avoid Penalty: To reach the 12-day limit (96 hours), they must take 25 additional days (200 hours) before June.
- Personalized Strategy: This team member also has a significant drawdown required:
 - Q1 (July–Sept): Schedule 8 days (e.g., a full 5-day week in August and three individual days to create 3-day weekends).
 - Q2 (Oct–Dec): They have 3 days in December. Schedule 6 more days (e.g., a full week in October or November).
 - Q3 (Jan–March): They already have 10 days in January. Schedule 4 additional days in March (e.g., two 2-day blocks).
 - Q4 (April–May): Schedule 7 days (e.g., a full 5-day week in April and two long weekends in May).

4. Team Member 4 (Non-Exempt)

- July 1, 2026 Capped Balance: 3 days. Their bank is well under their annual accrual rate of 16 days, so they carry over all 3 days.
- FY27 Accrual: 16 days (128 hours)
- Already Planned Days: 0 days
- Projected EOY Balance (No Action Taken): 3 (Starting) + 16 (Accrued) – 0 (Planned) = 19 days (152 hours)
- Days to Take to Avoid Penalty: To reach the 12-day limit (96 hours), they must take 7 additional days (56 hours) before June.
- Personalized Strategy: As a non-exempt employee, they can easily sprinkle these hours throughout the year.
 - Q1–Q4: Since their balance is low, they can take 1 to 2 days per quarter (e.g., a long weekend in Q1, a couple of days around Thanksgiving/Winter break in Q2, a long weekend in Q3, and a couple of days in April/May for Q4).

- [Access](#) via HR's website under "Benefits and Rewards)
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct reports' vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Vacation Day Calculator Gem

Manager's Coverage Coordination Summary (July – May)

To keep your department smoothly staffed and ensure everyone is fully rested before June hits, you can build a team calendar around these suggested blocks:

- **August:** Focus on Team Member 1 and Team Member 3 taking time off.
- **October/November:** Stagger the full weeks off for Team Member 2 and Team Member 3 so they do not overlap.
- **February/March:** Have Team Member 1 and Team Member 2 take their winter breaks at different times.
- **April/May:** Team Member 2 and Team Member 3 can take their final spring weeks off back-to-back.

Floating Holidays Note: Keep in mind that all Lehigh employees receive 3 floating holidays in addition to their standard vacation days. Would you like any help factoring those 3 days into this coverage timeline as well?

Next Steps:

Please remind your team members to collaborate closely with you as they lock in these dates. Once approved, they must record all of their time off in **TimeClock Plus**, which they can easily access via the link listed in **Lehigh Connect**.

- [Access](#) via HR's website under "Benefits and Rewards)
- Use the Gem to plan your own vacation days and your team's.
- To start, tell the Gem your goal (i.e. "I want to plan my 4 direct report's vacation in FY27.")
- It will prompt you to input their vacation bank, accrual rate, and already planned time off.
- The Gem will calculate how many days you or they need to spend by July 1, 2027 to avoid losing leave and will help you strategize how to schedule days throughout the year.



Strategies for Balancing Leave and Operations

Strike an Appropriate Balance

Make a reasonable effort to support staff in using their earned vacation time, but balance scheduling with departmental operational needs, staffing requirements, and service expectations.

Strive for consistency and equity. Consider requests from all team members using consistent criteria.

Manage Scheduling

Supervisors have authority to:

- Approve/deny requests based on business needs
- Limit number of staff off at one time
- Require advance notice for vacation requests
- Work with staff to identify alternative dates

Practical Tips

- Encourage staff to schedule one week of vacation per quarter.
- Encourage long weekends.
- Discuss coverage plans early.
- Take advantage of opportunities to cross-train.
- Use team calendars to increase visibility of scheduled absences.
- Address scheduling conflicts ASAP.
- Consider setting a deadline for initial vacation plans in advance.

Plan early, communicate often, and work collaboratively!

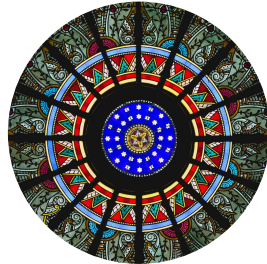


Conversation Prompts



For staff with high vacation balances:

"I noticed you have a significant amount of vacation time available. With the upcoming carryover changes, let's look at a plan for the year so you have opportunities to use your time before the end of the fiscal year."



If operational needs prevent approval:

"I understand you'd like to take time off during this period. Because several team members already received approval to be off during that time and we need coverage, these dates won't work. Let's look at alternative options that will allow you to use your vacation."



To encourage advance planning:

"Given your current balance, I recommend scheduling some vacation now for later in the year. Planning ahead will give us more flexibility and improve the likelihood that your preferred dates can be accommodated."





Questions?

Human Resources

inhro@lehigh.edu or 610-758-3900