

Navigating Upcoming Vacation Benefits Changes

**An Interactive Online Information Session
for Staff**



Today's Objectives

- 01 Understand the upcoming vacation changes
- 02 Learn how the transition year will work
- 03 Tips for planning your vacation time
- 04 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)• Sick leave/excused absence allotments and carryover is not changing



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 requests will not be approved during the two weeks leading up to their last day of employment.



Strategies for Managing Your Vacation

Determining How Much Time You Have

Self-Service Banner (SSB) has the most accurate information on your leave balances.

- Accruals are current (up to date as of current pay period)
- Usage has a one pay period delay
 - Your usage is not deducted from your balance until your pay is processed in the FOLLOWING pay period
- Consider projected accruals through June 30

Utilize the **Gemini Gem** created specifically for projecting leave time.

- The Gem also recommends strategies for scheduling your time
- Can be prompted to adjust the recommended action plan. For example, "I can't take vacation during July and August, can you re-work this plan to avoid those months?"



Determining Your Vacation Balance

Banner Self-Service:

employeeessb-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

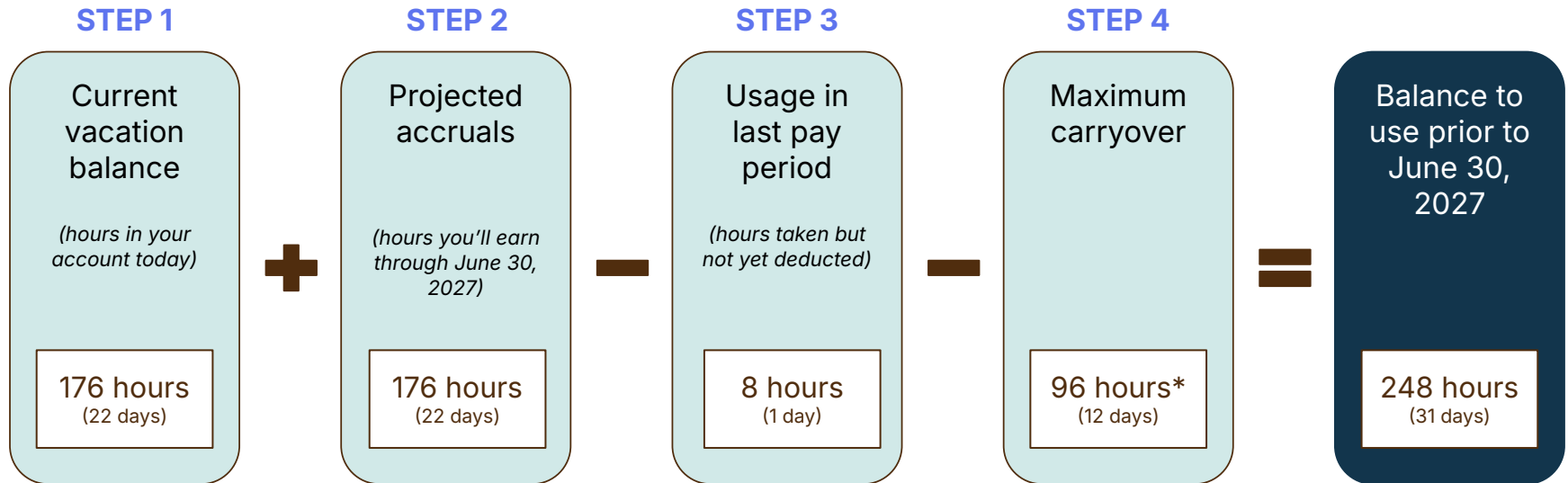
Earned: accrued hours to date in the current fiscal year, does *not* include the first accrual of the fiscal year

Taken: current fiscal year usage, one pay period lag



Calculating Your Vacation Balance

Example: I am an exempt employee with a balance of 176 hours (22 days) on July 1, 2026. I took 8 hours of leave last period. I accrue 22 days per year (14.67 hours per month), and my maximum carryover on July 1, 2027 will be 12 days (96 hours).



*Maximum carryover hours vary depending on your FTE. For non-exempt employees working 37.5 hours a week, the maximum carryover is 90 hours. For non-exempt employees working 40 hours a week and exempt employees, the maximum carryover is 96 hours. If less than 100% FTE, prorate carryover accordingly



Nonexempt Vacation Accrual Rates as of July 1, 2026

Years of Service	Days Accrued Per Year	Biweekly Accrual Rate (37.5)	Biweekly Accrual Rate (40)
0-4	14	4.04	4.31
5-9	16	4.62	4.92
10-14	20	5.77	6.15
15+	25	7.21	7.70

Exempt Vacation Accrual Rates as of July 1, 2026

Years of Service	Days Accrued Per Year	Monthly Accrual Rate
0-14	22	14.67
15+	25	16.67



Vacation Day Calculator Gem



Vacation Day Calculator

Lehigh University Vacation & Accrual Planner

Welcome! I am the Lehigh University Vacation and Accrual Planner AI, and I am fully equipped to help you calculate your projected vacation days through July 1, 2027.

Lehigh University has introduced a new policy limiting vacation carryover to a maximum of **12 days** per fiscal year (July 1 - June 30). I will help you strategically plan your time off so you carry over exactly 12 days or fewer by July 1, 2027, completely avoiding any "use-it-or-lose-it" penalties.

Required Information

To project your balance accurately and build your personalized time-off strategy, I need a bit of information regarding your current standing:

- **Current Vacation Balance:** Please note that since today is June 11, 2026, you are subject to the transitional rule. On July 1, 2026, you may only carry over a maximum of one year of vacation accrual. For example, if you earn 22 days per year but currently have 25 days, your balance will be adjusted to 22 days on July 1.
- **Annual Accrual Rate:** If you do not know your exact rate, please tell me your employment classification (Exempt or Non-exempt) and your years of service, and I can calculate it for you using the official policy table.
- **Planned Time Off:** Please factor in any currently approved or planned vacation days you have scheduled for the remainder of the year.

Would you be willing to share these details so we can begin planning your FY27 vacation?

- [Access](#) via HR's website under "Benefits and Rewards)
- To start, tell the Gem how many days are in your vacation bank, your pre-planned time off, and your vacation accrual rate.
- The Gem will calculate how many days you 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

I have a bank of 26 days, I am an exempt employee with 2 years at Lehigh, and I have 8 days planned off during FY27

Vacation Day Calculator - Custom Gem

Thank you for providing your information proactively! Since you have already shared your current balance, employment classification, and planned time off, we can jump right into your projection and strategy for FY27.

1. Current Balance & Carryover Adjustments

- **July 1, 2026 Adjustment:** Because your current bank of 26 days exceeds your maximum annual carryover limit of 22 days, you will forfeit 4 days (32 hours) on July 1, 2026. This resets your starting vacation balance for FY27 on July 1, 2026, to exactly **22 days (176 hours)**. [DOCX \(Google Drive\) +1](#)

2. Projected Balance by July 1, 2027 (No Action Taken)

You noted that you already have 8 days (64 hours) of vacation planned and approved for FY27. If no further action is taken, we calculate your projected end-of-year (EOY) balance using the university formula:

$$\text{Project EOY Balance} = \text{Current Balance} + \left(\frac{\text{Accrual Rate}}{12} \times \text{Remai} \right)$$

Without scheduling additional time off, your projected balance on June 30, 2027, will be **36 days (288 hours)**.

- [Access](#) via HR's website under "Benefits and Rewards)
- To start, tell the Gem how many days are in your vacation bank, your pre-planned time off, and your vacation accrual rate.
- The Gem will calculate how many days you 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. Target Carryover and Days You Must Schedule

Effective July 1, 2027, the new maximum vacation carryover into a new fiscal year is strictly limited to 12 days (96 hours). To bring your projected balance down to exactly the maximum allowed carryover and avoid forfeiting leave, we subtract the limit from your projection:

[DOCX \(Google Drive\) + 1](#)

$$36 \text{ days (Projected)} - 12 \text{ days (Max Carryover)} = \mathbf{24 \text{ days}}$$

To avoid any penalties, you must schedule and take exactly **24 additional days (192 hours)** of vacation before June 30, 2027 (bringing your total vacation days taken in FY27 to 32 days).

4. Personalized Time-Off Breakdown Strategy

As an exempt employee, you record vacation in full days or half-day increments (4-hour blocks). To comfortably spread your 24 additional days (192 hours) across the fiscal year, here is a suggested personalized breakdown: [DOCX \(Google Drive\)](#)

- **Quarter 1 (July – September):** Take one full week off (5 days) and two long weekends (2 days using full or half days) to maximize your summer rest.
- **Quarter 2 (October – December):** Take one full week off (5 days) around the winter holidays to extend your institutional break.
- **Quarter 3 (January – March):** Schedule a full week off (5 days) for a winter getaway, plus two individual standalone days off.
- **Quarter 4 (April – June):** Use your remaining 5 days to take a series of long weekends or half-day Fridays as spring transitions into summer.

Floating Holidays Note: In addition to your regular vacation time, Lehigh employees receive 3 floating holidays for the 2026–2027 schedule. Would you like some assistance in strategically planning out your floating holidays alongside this vacation schedule? [Google Slides](#)

- [Access](#) via HR's website under "Benefits and Rewards)
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Strategies for Managing Your Vacation

Practical Tips

Start Planning Early

- Review your balances regularly
- Determine how much time you need to use by June 30, 2027
- Develop a tentative plan for the year

Submit Requests in Advance

- Early requests allow more scheduling flexibility
- Advance planning can help avoid scheduling conflicts with coworkers

Be Flexible

- Consider multiple date options
- Be open to alternative dates if your first choice cannot be accommodated

Spread Vacation Out

- Consider taking vacation periodically rather than saving all your time
- Shorter breaks can help reduce vacation balance

Communicate

- Keep communication lines with your supervisor open
- If you have a large vacation balance, begin discussions early
- Work collaboratively to identify opportunities that meet both your needs and departmental staffing requirements





Questions?

Human Resources

inhro@lehigh.edu or 610-758-3900