

# Vacation Leave Assessment (VLA) Rate Updates

Business & Financial Services | Costing & Policy  
University of California, Merced

---

## VLA Overview

Vacation Leave Assessments, commonly referred to as VLAs, are charged to the fund-source(s) where an employee is contributing effort to help cover the future cost of vacation leave an employee has earned. These assessments are pooled in a vacation leave reserve account, and when vacation is taken or paid, the departmental account received a credit and the vacation leave reserve account is debited. This practice is common across all other UC campuses and ensures the appropriate cost accounting treatment of vacation assessments.

## Employee Mapping to VLA Groups

---

With UCPATH, an employee will fall into one of three VLA groups. The assignment of an employee to a VLA group is based on whether or not an employee's appointment makes them eligible to accrue vacation leave. The following table provides some of the common UC appointments and corresponding UCPATH VLA groups, and to be used as a general guide, but any specific questions about an employee's appointment vacation eligibility should be addressed to Human Resources.

UCPATH VLA Group	Appointment Examples
Accruing Staff & Non-Faculty Academic	Career Staff & AVCs (PPS, MSP) Senior Management Group Research Scientist Series Research Specialist Series
Fiscal Year Faculty	Deans Acting & Interim Deans Assistant Deans
Non-Accruing Staff & Academic Year Faculty	Senate Faculty Lecturers with Potential of Security of Employment (LPSOE) Lecturers with Security of Employment (LSOE) Lecturers Graduate Student Researchers Student Employees Post-Doctoral Scholars

## Approved VLA Rates

---

VLAs are charged based on the employee's eligible gross salary, and assessments can be calculated using the following formula:

$$\text{Eligible Gross Salary} \times \text{Applicable VLA Rate}$$

For example, if a PPS employee has a monthly gross-salary amount of \$1,000/month, the monthly assessment to offset the cost of future vacation taken would be \$94.50 (\$1,000 × 8.1%).

Similar to the Composite Benefit Rates, VLAs are subject to annual rate adjustments. Because all VLAs are subject to change, continue to use FY22 rates onward for planning purposes until future rates are approved.

UCPath VLA Group	VLA FY21-22
Accruing Staff & Non-Faculty Academic	6.79%
Fiscal Year Faculty	7.08%
Non-Accruing Staff & Academic Year Faculty	0.00%

x	x	x	x
x	x	x	x
x	x	x	x
x	x	x	x

## Budgeting for Contracts & Grants

In accordance with relevant personnel policies and labor contract provisions, must UC Merced staff employees accrue vacation leave, including UC Merced staff employees paid on contracts and grants. Departments and research units should encourage staff supported by sponsored projects to use vacation leave in accordance with their personnel program, percentage of appointment, and service. Any questions regarding how VLAs are to be budgeted on a Contract or Grant should be directed towards Sponsored Research Services.