



Policy Guide

Veteran's Service Credit for Annual Leave Accruals

DHRM Policy 4.10 establishes that employees who are U.S. Veterans who have completed their contractual period of military service and received an Honorable Discharge will have their annual leave accrual rate adjusted by their military service.

How is Service Credit determined?

- The annual leave accrual rate is determined using a combination of the employee's current state salaried service, prior state salaried service, and a veteran's service in the U.S. Military, National Guard or Reserve.
- Employees must submit to their Agency's HR Office their official military documentation validating their years/months of military service and the characterization of their discharge status.
- Agency HR will calculate the employee's current state service, prior state salaried service, and the military service. The combined service will result in an adjustment to the employee's Leave Service Eligibility Date in Cardinal.
- Agencies ~~who~~ that use Cardinal for Time and Absence Management are encouraged to use the following job aids to determine the employee's months of prior service, current service, and veterans service
[HR351 Managing Service Date and Breaks in Service](#)
[HR351 Managing Service Dates Calculator](#)
- For these purposes, state service includes all periods and types of full- and part-time salaried state service, including noncontinuous state service, except periods of Leave without Pay exceeding 14 days. It does not include hourly employment or service for any non-state entity. Periods of Military Leave with Pay do not impact the Leave Eligibility Service date. Service in the U.S. Military, National Guard or Reserves includes:
 - Active duty to include the Individual Ready Reserves.
 - National Guard or Reserves active and inactive duty; or
 - Full-time State or Federal National Guard duty.

Are the Annual Leave Maximum Carryover and Payouts impacted?

- Yes. The adjusted leave eligibility service date determines the annual leave accrual rate, the maximum allowable carryover of annual leave to the next year, and the maximum annual leave payable when the employee leaves state service.

Does this credit adjustment impact other service-based benefits?

- The Veteran's Service Credit adjustments to the employee's annual leave accruals do **not** result in additional service credit for the purpose of retirement, VSDP leave, the one-year eligibility period for short-term disability benefits, Parental Leave, Service Recognition, FMLA or the calculation of continuous state service.
- The Virginia Retirement System permits employees to purchase certain types of prior service for credit toward retirement benefits. These include periods of previous state classified service that the employee "cashed out" upon separation from state employment; wage service with a state agency; and service at certain other government entities, including the military. The agreement to purchase is between the employee and VRS. The new service total is calculated by VRS and retained for retirement purposes only, and **this total is not necessarily the same as that credited for annual leave accrual, carryover, and payout.** Service purchased for retirement credit is not reflected in other state service records, such as the Leave Eligibility Service Date. The two totals are separate and independent, and various events can cause them to be different. Contact VRS for more information on the purchase of service.

When will the leave accrual adjustment be effective?

- For current employees as of 1/10/2023:
 - The annual leave accrual is adjusted effective 1/10/2023.
- For new employees hired after 1/10/2023:
 - The annual leave accrual is effective as of the date of hire if hired on the 10th or 25th of the month, or if not, on the start date of the following pay period.

What documentation is acceptable?

- Agency HR may accept a variety of official military documents provided the documents include:
 - Start date and end date of the period of military service of at least 180 consecutive days of active or inactive duty. See the FAQs.
 - Confirmation of an honorable discharge

- Examples of acceptable documentation include but may not be limited to:
 - DD214 (also known as the “Long-Form DD214”)
 - DD256
 - For Reservists: Each branch of the Reserves has a unique discharge form detailing the years and months of service. Clarify the discharge is from the period of military service obligation and is not limited to a period of active-duty assignment.
 - For the National Guard: Form NGB22 or Form NGB23

Examples:

- A newly employed Veteran is hired as of 3/10/23 with no state service and 15 years of Reserve service. All periods of military service obligation are completed so this employee is a Veteran as defined in policy. Their annual leave eligibility date is 3/10/2008. Annual leave accrual will adjust from 4 hours (under 5 years) to 7 hours of annual leave (15-19 years) per pay period effective 3/10/23.
- A current employee has 16 months of prior state salaried service and completed 22 years of service in the Army finishing with an honorable discharge. The annual leave accrual for this employee will be adjusted by a total of 280 months of service. The employee was hired on 9/10/2021 and the Annual Leave Eligibility Date is changed to 5/10/1998. The employee’s annual leave accrual will change from 4 hours (under 5 years) to 8 hours (20 -24 years) per pay period effective 1/10/2023.