

Instructions for Converting Saved Vacation Days to Occupational Pension at Karolinska Institutet

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Purpose

The purpose of vacation is to provide employees with rest and recuperation, and the general rule is that vacation should be used as time off. However, employees may have different needs when it comes to using vacation.

According to national collective agreements, employees who are entitled to more than 20 paid vacation days in a calendar year may save the exceeding days for future use. Each employee may save a maximum of 30 vacation days in total.

Vacation days earned during the year are called “earned vacation days.” If any of these are unused by the end of the year, they become “saved vacation days.”

Conversion of Saved Vacation Days to Occupational Pension

Employees may, through an agreement with the employer, convert saved vacation days into occupational pension. This is done as a one-time payment by the employer to the selectable part of the PA16 pension agreement.

Vacation conversion is financially beneficial, as the converted amount is increased by an additional 4%. This is due to the employer's reduced cost, which is passed on to the employee.

All employees working 20% or more and who receive their salary from Karolinska Institutet are eligible to convert saved vacation days. Conversion is possible up to the calendar month before the month in which the employee turns 67 (for those covered by the Villkorsavtal agreement: OFR/S, P, O and Seko) and up to the calendar month before the month in which the employee turns 69 (for those covered by Villkorsavtal-T: Saco-S). Unaffiliated employees are covered under the agreement they would belong to if they were union members.

Procedure

After the employee has reviewed the information and decided to convert saved vacation days, an agreement is signed between Karolinska Institutet and the employee through a case in the PA-web.

The conversion takes effect the month following the date the agreement is signed. The converted vacation days are transferred to SPV (Swedish National Government Employee Pensions

Board), where the funds are placed according to the employee's choice within the selectable part of the pension.

Please note: The number of convertible vacation days may be affected by changes to tax regulations, other legislation, or general conditions.

Cancelling a Conversion

Once an agreement has been executed, it cannot be reversed.

Important to Know

- You may convert vacation days more than once per year, but a new agreement must be signed each time.
- Carefully consider your need for vacation before proceeding. Since the agreement is irrevocable once completed, both the employee and their manager should assess the employee's vacation needs beforehand.