

Subject: **Paid Time Off (PTO) Plan**

Applies to: Regular full-time and part-time staff in non-exempt positions whose primary appointment is in divisions 40 (School of Medicine and Dentistry, School of Nursing), 50 (Hospitals and Clinics), 60 (School of Nursing), 90 (Medical Center Administration), 91 (Faculty Practice) and 92 (Eastman Dental Center).

Individuals represented by collective bargaining agreements receive benefits in accordance with those agreements.

- I. Policy: The intent of the PTO plan is to recognize an individual's need to have time away from work for reasons such as illness or injury, doctor or dental appointments and to attend to personal business. It is also intended to provide the staff member with flexibility and tangible reward for time unused at the end of each Plan Year.
- II. Guidelines:
 - A. The Plan provides an eligible employee with one week of standard work hours during a Plan Year. The PTO Plan Year begins on the first day of the first full pay period in January for eligible employees.

New employees are eligible for PTO immediately upon hire in the PTO eligible position. PTO hours will be a pro-rated allocation based on the pay period of entry into the Plan.
 - B. PTO time can be used in full and partial day increments of not less than one-half hour. In some instances, such as scheduled visits to the doctor or dentist, advance approval from the supervisor is required.
 - C. Unused PTO Pay Out:
 1. At the end of each Plan Year, PTO banks for eligible employees will be purged and reset for the new Plan Year. An employee may elect only one option for unused PTO time, i.e., pay out, retirement contribution or transfer of hours to the Supplemental Bank. The payment of PTO time is at the employee's current rate of pay. Any shift differential is included if the employee's standard shift qualifies for shift differential.
 2. Eligible employees will automatically receive pay for all unused PTO hours in the paycheck reflecting the first full pay period in January, subject to all applicable taxes.

3. Employees making voluntary contributions to the Retirement Program may have the value of all unused PTO hours placed in an existing 403(b) Retirement Account(s). This allocation is subject to all current IRS regulations and limits and applicable taxes.

4. An additional option is to have all unused PTO hours placed into the Supplemental Bank. The Supplemental Bank can have unlimited hours.

Note: Supplemental Bank hours are not subject to pay out.

D. Terminations/Status Changes/Transfers:

1. Eligible employees who terminate employment from the University after at least six months of PTO-eligible service will be paid for unused PTO hours.

2. Individuals who terminate their employment and later are rehired to a PTO-eligible position within the same PTO Plan Year will not be eligible for PTO until the subsequent PTO Plan Year.

3. Time As Reported (TAR) staff who change to part-time or full-time status will be eligible for PTO immediately. PTO hours will be a pro-rated allocation based on the pay period of entry into the Plan.

4. Employees changing status to: Time As Reported (TAR), Leave of Absence or Indefinite Layoff during the Plan Year after at least six months of PTO-eligible service will be paid unused PTO hours upon change in status. (Note: Employees placed on Temporary Layoff status will not be paid out the PTO Bank unless they opt to use the time while on Temporary Layoff status or change to Indefinite Layoff status.)

Note: Upon change to a position that is not PTO-eligible, the Supplemental Bank will be purged.

Employees who change to Time-As-Reported (TAR) status and later change back to a PTO-eligible status within the same PTO Plan Year will not be eligible for PTO until the subsequent PTO Plan Year.

5. Employees absent from work at the beginning of the Plan Year due to Short-Term Disability or Workers' Compensation, will be eligible to have PTO banks reset upon return to work. PTO hours will be a pro-rated allocation based on the pay period of return to work.

6. Employees transferring into a PTO-eligible position from another non-exempt benefit eligible position (divisions 10, 20, 21, 22, 23, 24, 30, or 70) will be eligible for PTO immediately. At the time of PTO eligibility, the employee's

current sick day balance will be converted to the Supplemental Bank, which can be used as described in II. B. 5. PTO hours will be a pro-rated allocation based on the pay period of entry into the Plan.

7. Employees transferring into a PTO-eligible position from a regular Full-Time or Part-Time Professional, Administrative and Supervisory (PAS) position will be eligible for PTO immediately. PTO hours will be a pro-rated allocation based on the pay period of entry into the Plan.

8. PTO-eligible employees who transfer to a regular Full-Time or Part-Time non-exempt position that is not PTO-eligible will be entitled to benefits in accordance with that position. When an employee moves to a non-exempt position in division 10, 20, 21, 22, 23, 24, 30, or 70, the balance in the PTO bank (at the time of transfer) will be multiplied by two (based on a 10-day annual entitlement under the University Sick Leave Plan) and converted to the Sick Day bank. In these cases there will be no pay out of the PTO bank. Note: Upon change to a position that is not PTO-eligible, the Supplemental Bank will be purged.

9. PTO-eligible employees who transfer to a regular Full-Time or Part-Time Professional, Administrative and Supervisory (PAS) position, which is not PTO-eligible, will be entitled to benefits in accordance with that position. In these cases there will be no pay out of the PTO bank. Note: Upon change to a position that is not PTO eligible, the Supplemental Bank will be purged.

III. Procedures:

- A. All eligible employees must coordinate use of PTO time with their supervisor.
- B. PTO time should be recorded by the employee or timekeeper via Time and Labor as PTO time with the number of hours used. PTO can be taken in increments of one-half hour or greater.
- C. The PTO and Supplemental Bank balances will be reflected on the on-line pay statement of PTO eligible employees.
- D. The University of Rochester reserves the right to modify, amend or terminate the PTO Plan at any time.

See also Policies: #271 Workers' Compensation Insurance
 #339 Sick Leave Plan for Short-Term Disability
 #345 Vacation