

## PAID TIME OFF

---

### 1. GENERAL

The University maintains a Paid Time Off (PTO) Program for the purpose of providing staff employees with the opportunity to take time away from work without loss of compensation. The PTO Program is an inclusive time off program intended for use in connection with vacations, short-term injuries and illnesses (non-work related) of five (5) days or less, personal business, family care, and other needs which may require time off from work. The PTO Program combines vacation, sick, and personal leave, and must serve all these purposes. While a reasonable amount of paid time off should be taken annually by each employee, the timing and duration of successive days of paid time off is subject to satisfactory arrangements having been made for work to be continued in the employee's absence. A significant portion of the employee's allotted days should be viewed and taken as necessary for unexpected circumstances and illnesses, and while an employee may take the entire allotment for any one of the purposes, the circumstances under which they are taken will be considered with respect to job performance. Eligible staff employees accrue PTO hours based on their job classification, appointment effort (FTE) or hours paid each pay period (non-exempt employees), and years of service in accordance with an accrual schedule outlined below (paragraph 5). The PTO Program does not include paid time off for holidays.

### 2. EFFECTIVE DATE

This policy is effective January 1, 2002, and supersedes the vacation, sick, and personal leave policies previously in place at the University.

### 3. ELIGIBILITY

All full-time and part-time staff employees regularly scheduled (budgeted) to work 1000 hours or more per year are eligible for PTO. Staff employees who are scheduled (budgeted) to work less than 1000 hours per year are not eligible for PTO.

### 4. PTO GUIDELINES

#### a. PTO Scheduling –

- (1) To the extent possible, PTO is to be requested and approved by the supervisor in advance.
- (2) Supervisors are responsible for scheduling PTO in a manner that balances the operational and service delivery needs of the department (work unit) with the time off preferences of the staff employee. The University reserves the right to deny PTO requests which may have an adverse effect on its operations or cancel previously approved PTO requests if unexpected circumstances arise which require the staff employee's attendance at work.

## PAID TIME OFF

---

- (3) In the event of illness or emergency preventing the staff employee from requesting PTO in advance, the employee is to notify the supervisor no later than the start of the workday and explain the need for unscheduled time off.
- b. PTO Tracking – The University will maintain a PTO account for each eligible non-exempt staff employee and provide a PTO annual leave record form for exempt employees, <http://www.wfu.edu/hr/forms/index.html>, to track the beginning balance, current balance, accruals, and usage on a calendar year basis.
- c. PTO Reporting –
- (1) *Non-exempt*: Staff employees are required to report PTO hours taken during each pay period by recording the PTO hours on their time sheets. PTO hours taken will be charged against the employee's PTO account at the conclusion of the pay period during which it was taken. Non-exempt staff employees taking time off in excess of their available PTO balance shall have such time deducted from their pay for the pay period in which it was reported.
- (2) *Exempt*: Department heads are responsible for maintaining an auditable record of PTO accrual and usage by exempt staff employees. PTO taken will be charged against the employee's PTO account following conclusion of the monthly pay period in which it was taken.
- (3) A [Request for Leave](#) form is available on the Human Resources webpage for use in facilitating the leave accountability process.
- d. Excused Absence Without Pay in Lieu of PTO – Staff employees carrying PTO balances may not opt to take excused absences without pay in lieu of PTO for purposes of saving accrued PTO time. Employees with insufficient PTO balances to cover requested periods of time off may be granted excused time off without pay at the discretion of the supervisor.
- e. PTO Usage During Worker's Compensation Leave – Staff employees may use PTO during the first week (5 working days) of absence from work due to a work related injury or illness. PTO may also be used to supplement the workers' compensation weekly benefit. The supplemental PTO may be used to provide an income no greater than the base salary income received prior to the work related injury or illness.
- f. PTO Usage During Short Term Disability (Salary Continuation) – Staff employees may use PTO during the first five workdays of absence from work due to a non-work related illness or injury. PTO may also be used to supplement the Short Term Disability (STD) benefit. The supplemental PTO may be used to provide an income no greater than the base salary income received prior to the non-work related injury or illness.

PAID TIME OFF

---

5. PTO ACCRUAL SCHEDULES

a. Exempt Staff Employees

(1) Full time exempt staff employees and administrators will accrue PTO based on the following schedule:

<b>Years of Service</b>	<b>Weeks per Year</b>	<b>Days per Year</b>	<b>1950 Hours Budgeted Annually</b> (Annual Hourly Accrual)	<b>2080 Hours Budgeted Annually</b> (Annual Hourly Accrual)
Less than 5 years	Five (5) Weeks	25 Days	187.5 hours	200 hours
5 years or more, but less than 10 years	Six (6) Weeks	30 Days	225.0 hours	240 hours
10 or more years	Seven (7) Weeks	35 Days	262.5 hours	280 hours

NOTE: Senior Academic and Administrative Officers ([HRPPM I-4, Human Resources Definitions](#)) receive seven weeks of PTO regardless of years of service.

- (2) An exception may be made to grant annual leave entitlement in excess of that prescribed above when an exempt staff employee or administrator is first employed; such an exception must be based on an expressed finding that the extent of previous related professional experience of the affected employee or other compelling circumstances warrant such an exception; the granting of the exception must be recommended by the Associate Vice President of Human Resources and approved by the Senior Vice President and Chief Financial Officer; and such exceptional leave entitlement may not exceed either 35 workdays per year or the amount of annual leave to which the employee was entitled in the employment held immediately preceding employment at this University, whichever is less.
- (3) The following formula is to be used in determining the annual PTO hours for regular exempt staff employees scheduled (budgeted) to work less than 1950 hours per year:

$$(\text{Total Budgeted Hours per Year}/2080) \times \text{Annual Accrual} = \text{Pro-rated Annual PTO.}$$

Example: An exempt staff employee with less than 5 years service who is scheduled to work 1560 hours per year -

$$(1560/2080) \times 200$$

$$.75 \times 200 = 150 \text{ PTO Hours per Year}$$

PAID TIME OFF

To determine the monthly accrual for an exempt staff employee scheduled (budgeted) to work less than 1950 hours per year, divide the pro-rated annual PTO hours by twelve (12).

- (4) Exempt staff employees may draw against the entire balance credited annually to their account in January (or date of hire) with the stipulation that any PTO taken but not earned prior to separation will be deducted from the employee’s last paycheck.
- (5) Exempt staff employees hired after January 1 will be advanced a pro-rated annual PTO balance at the time of hire based on the number of months remaining in the calendar year.
- (6) Those exempt staff employees beginning employment between the 1<sup>st</sup> and the 14<sup>th</sup> day of a given month will receive a full accrual for that month, whereas those employees beginning employment on the 15<sup>th</sup> day of a given month or thereafter will receive 50% accrual for that month. Conversely, those exempt staff employees terminating employment between the 1<sup>st</sup> and the 14<sup>th</sup> day of a given month will receive 50% accrual for that month, whereas those employees terminating employment on the 15<sup>th</sup> day of a given month or thereafter will receive a full accrual for that month. This same standard will be applied for those exempt staff employees beginning or returning from leaves of absence or any other status not subject to PTO accrual.

b. Non-Exempt Staff Employees

- (1) Full-time non-exempt staff employees will accrue PTO based on the following schedule:

<b>Years of Service</b>	<b>Hourly Accrual</b>	<b>Annual Accrual if Paid for 1950 Hours</b>	<b>Annual Accrual if Paid for 2080 Hours</b>
Less than 3 years	.0769 hrs.	150.0 hrs.	160.0 hrs.
3 years or more, but less than 10 years	.0962 hrs.	187.5 hrs.	200.0 hrs.
10 years or more, but less than 20 years	.1154 hrs.	225 hrs.	240 hrs.
20 or more years	.1346 hrs.	262.5 hrs.	280 hrs.

- (3) Non-exempt staff employees earn PTO each pay period based on hours paid in accordance with the accrual schedule and criteria outlined above.
- (4) Hours paid in excess of 40 per workweek and hours worked in connection with ineligible appointments are not subject to PTO accruals.

PAID TIME OFF

(5) Non-exempt staff employees will earn PTO for hours paid when absent from work in connection with: PTO, holidays, paid leave of absence, paid administrative leave, salary continuation for short-term disability, bereavement leave, and civil leave. Staff members will not earn PTO when absent from work in connection with: excused or unexcused absences without pay including unpaid leaves of absence, or worker’s compensation leaves.

- c. Annual accrual rates are to increase as of the first day of the pay period following achievement of the applicable service milestone.

6. PTO ACCOUNT BALANCE AND CARRY FORWARD LIMITS

- a. As noted above, the University will maintain a PTO account for each eligible non-exempt staff employee and provide a form for exempt employees to track the beginning balance, current balance, accruals, and usage on a calendar year basis. Limits are imposed on the amount of PTO that can be maintained as a balance and on the amount of PTO that can be carried forward from one calendar year to the next. Current PTO account balances may not exceed one and one-half (1.5) times the staff members’ annual accrual rate. At the end of each calendar year, unused account balances up to the staff employee’s carry forward limit will be carried forward to the next calendar year. The carry forward limit is equal to one-half of the employee’s annual accrual.
- b. PTO current account balance carry forward limits for full-time exempt staff employees are reflected below:

<b>Exempt Staff</b>	<b>1950 Hour Account Limit</b>	<b>1950 Hour Carry Forward Limit</b>	<b>2080 Hour Account Limit</b>	<b>2080 Hour Carry Forward Limit</b>
Less than 5 years	281.25 hours	93.75 hours	300 hours	100 hours
5 years or more, but less than 10 years	337.50 hours	112.50 hours	360 hours	120 hours
10 or more years	393.75 hours	131.25 hours	420 hours	140 hours

*Note: The above limits are pro-rated for exempt staff scheduled (budgeted) to work less than 1950 hours per year.*

The following formulas are used in determining the annual PTO account limit and the annual PTO carry forward limit for regular exempt staff employees scheduled (budgeted) to work less than 1950 hours per year:

Pro-rated Annual PTO X 1.5 = Annual PTO Account Limit  
 Pro-rated Annual PTO X 0.5 = Annual PTO Carry Forward Limit

Example: An exempt staff employee with less than 5 years service who is scheduled to work 1560 hours per year -

PAID TIME OFF

$(1560/2080) \times 200$

$.75 \times 200 = 150$  PTO Hours (Pro-rated Annual PTO)

Annual PTO Account Limit = 150 PTO Hours  $\times$  1.5 = 225 Hours

Annual PTO Carry Forward Limit = 150 PTO Hours  $\times$  .5 = 75 Hours

- c. PTO current account balance carry forward limits for full-time non-exempt staff employees are reflected below:

<b>Non-Exempt Staff</b>	<b>Account Limit if Paid for 1950 Hours</b>	<b>Carry Forward Limit if Paid for 1950 Hours</b>	<b>Account Limit if Paid for 2080 Hours</b>	<b>Carry Forward Limit if Paid for 2080 Hours</b>
Less than 3 years	225 hours	75 hours	240 hours	80 hours
3 years or more, but less than 10 years	281.25 hours	93.75 hours	300 hours	100 hours
10 years or more but less than 20 years	337.50 hours	112.50 hours	360 hours	120 hours
20 or more years	393.75 hours	131.25 hours	420 hours	140 hours

*Note: The above limits are pro-rated for non-exempt staff paid for less than 1950 hours per year.*

- d. Exempt and non-exempt staff employees whose PTO current account balances exceed their carry forward limit at the end of the calendar year will forfeit all hours in excess of this limit. Therefore, all staff employees should take care to ensure that PTO hours in excess of their carry forward limits are exhausted by the end of the calendar year to avoid forfeiture of PTO.

7. SEPARATION FROM UNIVERSITY EMPLOYMENT

- a. Upon separation from University employment, a staff employee who has successfully completed six months (180 days) or more of continuous service shall be paid for any PTO earned but not taken, up to the PTO payout limits noted below, except in cases where the separating staff employee has failed to give proper notice of resignation.
- b. Exempt staff employees are expected to provide four weeks (20 working days) notice of resignation and non-exempt staff employees are expected to provide two weeks (10 working days) notice. Notice of resignation is to be provided in writing to the staff employee's immediate supervisor. The supervisor is to acknowledge and accept the resignation notice with a copy to the Human Resource Department. Staff employees may not use PTO time in lieu of notice of resignation. The last day actually worked will be

PAID TIME OFF

---

considered the date of separation from the University for all employees with the exception of those who are retiring. Retirees may use leave in excess of the PTO payout limits noted below prior to retiring. When retiring in December, excess must be used before December 31.

- c. Administrators or staff employees who transfer to faculty positions shall be paid for earned but unused PTO on record at the time of transfer not to exceed the payout limits.
- d. The payout limits for unused PTO are lifetime limits.
- e. The payout limits for exempt staff and administrators are reflected below:

<b>Exempt Staff Service</b>	<b>Payout Limit</b>
Less than 5 years	100 hours
5 years or more, but less than 10 years	120 hours
10 or more years	140 hours

- f. The payout limits for non-exempt staff are reflected below:

<b>Non-Exempt Staff Service</b>	<b>Payout Limit</b>
Less than 3 years	80 hours
3 years or more, but less than 10 years	100 hours
10 or more years	120 hours
20 years or more	140 hours

8. GRANDFATHER CLAUSE

On January 1, 2002, the PTO Program superseded the vacation, sick, and personal leave programs previously in effect at the University. At the time of conversion, those staff employees carrying accrued sick leave balances (not to exceed the annual carry over limits) are permitted to carry forward those hours in a separate sick leave account, called Sick Leave Reserve (SLR), to be used for personal illness, time required for medical treatments and care, or family illness. Sick leave may also be used to supplement Short Term Disability and Worker’s Compensation. Once Sick Leave Reserve hours are exhausted, they will not be replenished. Sick Leave Reserve Balances will not be paid out upon termination of employment.

PAID TIME OFF

---

*Drafted by the Director of Human Resources, October 15, 2001*

Approved by the President: December 4, 2001

Administrative changes by the Director of Human Resources, April 6, 2004

Administrative Updates by the Compliance Manager,