

Frequently Asked Questions – Time Off Changes

Why is the college making this change?

As the college considered necessary budget cuts, changes to the time off benefit will hopefully prevent or reduce cuts to employees' base compensation or staffing levels. The changes made are estimated to save \$200,000 per year.

How was the cost savings estimated?

Eliminating the “carry over” provision for vacation hours will eliminate large payouts to employees who leave the college. The current liability for the carry over is \$1.1 million which means the college has a “debt” to employees of this amount. In addition, we looked at usage of short-term disability over the last five years to predict savings as we move to a 60% benefit level.

Why are we moving to paid time off (PTO) instead of separate sick and vacation time?

Paid time off banks have become the norm in most industries, but higher education has been slower to adapt. By giving all employees a bank of time to use however it is needed, we hope this will provide more flexibility for a variety of life situations.

When will my PTO accruals start?

Changes will begin on September 1, 2020. Until then, you will continue to accrue vacation time as normal. On September 1, accruals will shift to paid time off (PTO) and any time away should be recorded in TimeClock Plus. Your vacation hours will remain and can be used, but no additional hours will be added to that bank. Each year, the amount of vacation that can be carried over will decrease. By July 1, 2023, any remaining vacation time will be forfeited.

Do I have to get approval before taking paid time off?

Yes. If your need for time off is anticipated, you should submit a request for the time off to your supervisor for approval. If you have an unexpected illness for yourself or a family member, you should notify your supervisor as you currently do for sick time.

What should I do about my planned vacation?

It's our hope that this change will not disrupt any planned vacations. Most employees will have previously accrued vacation time that can be used, or employees can "borrow ahead" from future PTO accruals up to 40 hours. Borrowing more than 40 hours may be available with additional approvals.

How will "borrowing" paid time off work?

Under the new system, we imagine that borrowing ahead from future accruals will be a common practice. Employees who earn PTO will be able to use it before it is accrued. As the time is accrued, it will be restored to the employee's bank. For example:

George has a vacation scheduled for July 15, 2021, and he has worked for the college for two years. George accrues 12.66 hours of PTO each month. On June 30, 2021, any of "last year's" PTO accruals that are unused will be forfeited. George's vacation plans will go forward. He will borrow 40 hours of paid time off to take a week off. At the end of July, he will have earned 12.66 hours of PTO but will have used 40 hours. His balance on July 30 will be -27.34 hours. Each month he will continue to accrue and use PTO as needed. In three more months, George will have replenished his PTO account and have a positive balance.

Why are we eliminating the "carry over" provision that allowed us to save up for emergencies?

Our paid time off is designed to provide time each year for employees to get away from work, rest, relax and rejuvenate. It is also designed to provide time off for unexpected events like illnesses or minor family emergencies. Life Event Pay and short-term disability leaves are designed for major illnesses or life events and are available each year as needed.

The no-carry over provision, we hope, will encourage employees to take time away each year rather than banking vacation time for the future. It also presents a significant cost savings for the college because when employees end their employment with the college, vacation hours are converted into a payout.

How will pregnancy leave be handled?

Under our new policy, pregnancy would be covered by the short-term disability policy. A pregnant employee would submit the needed information to Symetra (our vendor) and would typically be approved for six weeks of medically necessary leave for a healthy birth, or eight

weeks of leave for a cesarean birth. The first 14 calendar days would be subject to a waiting period where an employee would use PTO or Life Event Pay. The remaining time would be paid at 60%. An employee could choose to use PTO or Life Event Pay at a 40% rate to bring pay up to 100%. Additional time away, as available under the Family Medical Leave Act, is available using additional paid time off, or could be taken without pay.

How is medical necessity determined for short-term disability pay?

The college conducted a Request for Proposals (RFP) and chose Symetra to work with us to oversee the medical review and processing of all requests for both short-term disability and Family Medical Leave. This provides a more consistent and streamlined way of handling all requests and minimizes the sharing of any confidential health information. Symetra will work with employees and their health care providers to submit the necessary information to determine necessary time away. This will be accomplished by telephone, and all medical information will be confidential. Employees will provide initial information and Symetra will gather necessary information from indicated health care providers. Using this information as well as industry-wide “norms,” Symetra will determine what amount of time is medically necessary and will review and revise if the condition changes. If there is disagreement, an appeal process is available.

What about my already approved leave?

Employees who have previously requested a medical leave (prior to July 21, 2020) will continue forward and those leaves will be honored. New leave requests will be handled under the new policy. Those employees with approved leaves will work with Symetra to obtain appropriate medical documentation and be asked to complete paperwork for Family Medical Leave.

Do benefits continue while I use short-term disability?

Augustana benefits will continue and deductions for any health insurance or other premium deductions will continue to be made. While utilizing short-term disability, you will not accrue paid time off.

I don't understand how this will work. Can you provide an example?

Additional meetings with the Office of Human Resources will be helpful in providing detailed guidance, but here are some scenarios that might help.

Joan is an employee who has worked for the college for five years and does not earn paid time off and therefore has four weeks of Life Event Pay available. She is planning a surgery in February 2020.

She will make a phone call to Symetra, and someone from Symetra will reach out to her health care provider for the necessary medical documentation. The staff person at Symetra will let the college know the amount of approved medically necessary leave. In this case, it is five weeks.

- Joan will use two weeks of Life Event Pay to cover the waiting period for short-term disability.
- For the remaining three weeks of medically necessary leave, short-term disability will provide 60% of Joan's normal pay.
- The remaining 40% of Joan's salary will be supplemented by using remaining Life Event Pay on a prorated basis.
- Joan started with 20 days (160 hours) of Life Event Pay. Ten days (80 hours) was used for the waiting period for short-term disability, and six days (48 hours) was used to keep her pay at 100%.
- Joan has four days of Life Event Pay available for other life events until February 2021 when she would be eligible for additional Life Event Pay.

Stuart is a biweekly employee who has a spouse who will deliver a baby soon. Stuart has worked for the college for 18 months. Stuart earns paid time off and has 10 days (80 hours) of Life Event Leave.

- Stuart calls Symetra to complete the necessary Family Medical Leave paperwork.
- Short-Term Disability is not applicable since Stuart does not have a health condition.
- Stuart takes 10 days (two weeks) of Life Event Pay and elects to use 10 days of paid time off with approval of his supervisor, for a total of four weeks off to assist with his newborn.
- Stuart will not be eligible for additional Life Event Pay until 12 months from the birth of the baby and usage of Life Event Pay.

Charlotte has a continuing health issue that requires occasional time away from work to seek treatment. She earns paid time off and has worked for the college for 14 years. In the past, she has used college-provided STD (Short-Term Disability) for time away from work and has submitted medical documentation.

- Charlotte calls Symetra, and her healthcare providers are asked by Symetra to submit medical documentation about Charlotte's condition. Both STD application and FMLA paperwork are completed in one phone call.
- Charlotte's condition is approved, and the first 14 days of leave will be subject to the short-term disability waiting period. When Charlotte is away in full days, she can use Life

Event Pay to cover the first 10 days. When partial days are used, PTO must be used as Life Event Pay can be used only in one-day increments.

- After satisfying the waiting period, Charlotte has used all Life Event Pay. Future usage will be at 60% pay, and Charlotte will use available PTO or receive partial pay if PTO is not available. Borrowing PTO is not allowed in this circumstance.

Dr. Fauci is a new member of the Augustana faculty. Once he has been employed at the college for three months, he is eligible for short-term disability. Once he has been employed at the college for 12 months, he is eligible for Life Event Pay. Dr. Fauci's wife is expecting and will give birth in September.

- Dr. Fauci will call Symetra to complete necessary Family Medical Leave paperwork. Given that he has worked at the college for 12 months, he is approved for parent-child bonding leave.
- Dr. Fauci can use four weeks of Life Event Leave for bonding time. Instead, he contacts his department chair and the provost, and he is approved for a four-credit course release that he takes during J-term to bond with his newborn.

What if I can't afford 60% pay during a crisis?

Employees have a few options.

1. Continue to use accrued paid time off, which is paid at 100%.
2. Use any remaining vacation hours, which are paid at 100%.
3. Consider enrolling in voluntary benefits such as Critical Illness or Accident Insurance to provide additional income during health events. The college will be conducting an open enrollment for these benefits in September of 2020.
4. TIAA has loans and hardship withdrawals available during health emergencies.

How does this affect Family Medical Leave?

Family Medical Leave provides 12 weeks of job protected unpaid leave for qualifying events or conditions. All STD time will run concurrently with Family Medical Leave as will Life Event Pay. Employees who have a serious health condition or a family member with a serious health condition where time away from work will be needed should contact the Office of Human Resources. The intake-and-review process will be handled by Symetra on behalf of the college and ongoing reporting of time away will be coordinated through Symetra. The Office of Human Resources will work with payroll to ensure pay is handled correctly in situations where an employee is using Family Medical Leave, Short Term Disability, Life Event Leave or any combination of these benefits.

Where can I get more information?

We wanted to share this policy change with you as soon as possible and are still finalizing our formal policies. We will have these policies available before the September 1 implementation date. The college will share additional information as it becomes available and have created a section on the Office of Human Resources website where you can find all available information.