Today’s Presentation Should Answer:

• What’s been going on and why?
• Who’s been involved?
• What’s changing, and when?
• What’s not changing?
• What’s different for new employees?
• What about current employees?
• How will this affect you?
Current Offerings
(administered through 17 policies)

• Vacation (except AY Faculty)
• Sick Leave – two plans
• Family Medical Leave
• Personal Business Days (Exempt only)
• Personal Holiday (Non-exempt only)
• Holidays
• Bereavement Leave
• Paid Parental Leave
• Unpaid Personal Leave
• Business Leaves (i.e., sabbatical, research)
What’s the Problem?

• Complicated - hard to be consistent, communicate and train

• Various systems involved to track

• Centralized/decentralized tracking – some automated, some manual

• Retroactive adjustments – time consuming and sometimes costly

• Outdated policies – such as Bereavement Leave and Paid Parental Leave that are too restrictive and not in the spirit of a family-friendly institution

• Limited protection for newer employees
University Leaves Committee appointed in 2013

- Vic Lechtenberg, chair
- Steve Abel
- Jay Akridge, Plan Design
- Jim Almond, Financial
- Terry Ashlock
- Mitzi Barnett
- Morgan Burke
- Stan Davis
- Cheryl Files
- Randy Freebourn
- Patty Hart
- Leah Jamieson
- Trent Klingerman, Communications
- Luis Lewin
- Rene Lewin
- Gerry McCartney, IT
- Beth McCuskey
- Beau Moore
- Eva Nodine
- Charlene Sullivan
- Andrea Thomas
- Steve Turner
- Laurel Weldon
- Teresa Wesner

Pacific Resources acted as consultant during this process
Guiding Principles

- **Clarity**
  Simply expressed and understood

- **Competitive**
  Attract & retain talented faculty and staff

- **Ease of Administration**
  Simplify policies; use technology to streamline processes

- **Fiscal Prudency**
  Judicious steward of university resources
Committee Activities

• **Benchmarking:**
  – Carnegie Mellon, Georgia Tech, Indiana University, Ivy Tech, Michigan State, Minnesota University, MIT, Northwestern, Ohio State, Stanford, University of Illinois, University of Nebraska, Vanderbilt University
  – State of Indiana, SIA, Caterpillar, Fairfield, Wabash National, IU Health Arnett

• **Employee Feedback:**
  – APSAC, CSSAC, Faculty, Regional Campuses, Web Feedback

• **Program Review:**
  – Detailed review of today’s program including applicable leave laws, connections to disability and Worker’s Compensation
What Did Employees Say?

• Varying levels of understanding of current programs
• Paid Parental Leave should be longer and same for adoption/birth and mothers/fathers
• Don’t take away any current leave; feel free to add
• Time off to use On-site healthcare
• Bereavement Leave for immediate family restrictive
• Need greater transparency, clarity, communication, and consistency
• Request and approval for time off should be electronic
• Administration of leaves needs to be simplified and streamlined
Important to the Committee

• Progress to modernized plan design
  – Competitive - Recruit and Retain
  – Protect Employees - Complement Family Medical Leave, Disability and Worker’s Compensation

• Sustainable into the future

• Protect benefits accrued to date

• Transition carefully
  – New Employees
  – Current Employees
Not Reviewed - No Changes

• Business Leaves
  – Change in Duty Station
  – Sabbatical
  – Outside Activity
  – Research/Instructional/Engagement Travel
  – Voluntary Early Partial Retirement
    (tracked as leave during time out)

• Military Leave

• Graduate Staff Leave Benefits
REVIEW OF CHANGES

• Adjustments to Current Offerings

• New Leave Type - Paid Time Off
Adjustments

• **Bereavement Leave**
  – Expand from 3 days to 5 days for immediate family*; allow time to be taken over 6 months

• **Illness for Immediate Family***
  – No longer capped at 10 days/year

• **New employee time off**
  – No longer require 90-day wait to use time

*Immediate family refers to spouse/same-sex domestic partners, parent, child, grandparent, grandchild, or sibling, and corresponding in-law or step-relative. Also uncle, aunt, niece, nephew, or first cousin if the relative lived in the employee's home.
Adjustments (cont.)

• **Paid Parental Leave:**
  – Birth Parents and Adoptive Parents with one year of service - 6 weeks paid time for all with no sharing between employees
  – Departments will work with Faculty as needed to release from specific duties (i.e. teaching duties) during the semester of a birth or adoption; Tenure clock stops will continue

• **Center for Healthy Living (CHL):**
  – Paid time allowed for employee appointments at CHL

• **Exempt Time Reporting:**
  – Record absences in full day increments only; work is based on expectation to accomplish the work. No need to report partial day absences, except under FMLA.

• **Unpaid Personal Leave:**
  – No designated amounts; available when approved, discretionary and based on business need
New PTO and Updated Disability

• Introduce and Define “Paid Time Off”

• Employee Groups for Time Off

• Accrual versus Allotment of Time

• Benefits that apply to all, new and current employees beginning **7/1/15**

• Transition of current faculty and staff
New PTO and Updated Disability (cont.)

• For all benefits-eligible employee groups:
  
  – Short Term Disability effective through 90\textsuperscript{th} day
  
  – Long Term Disability effective beginning 91\textsuperscript{st} day
    • Reduced waiting period from 180 days for Exempt employees today
Paid Time Off at Purdue (PTO)

- Bank of hours to use for vacation, illness, family illness, personal days
  - New leave type for new and current employees
  - Generally, does not require designation of what time is to be used for, except in instances of qualifying FMLA time
  - Flexible to meet variety of needs for time off; less rules, less complexity
  - Advance scheduling and approval still critical and expected whenever possible
  - Supervisor discretion still applies
Paid Time Off (PTO)

Includes:
• Vacation
• Illness
• Illness of immediate family member
• Personal Business Days
• Personal Holiday

Does Not include:
• University Holidays
• Paid Parental Leave
• Bereavement
• Jury/Witness Duty
• Military Leave
• Other Leave with pay
• Benefits received from Disability or Worker’s Compensation
Employee Groups - PTO

• **Non-exempt employee groups**
  – Clerical/Service, Op/Tech
    » 10-12 month appointments
    » Less than 10-month appointments

• **Exempt employee groups**
  – Faculty, Admin/Prof, Mgmt/Prof
    » 10-12 month appointments
    » Less than 10-month appointments
Accrual vs. Allotment

• Today
  – Non-exempt: vacation and sick leave are accrual-based (“earn time as you go”)
  – Exempt: vacation is accrual-based; sick leave is allotted

• Future
  – Allotment refers to a lump sum of time provided up front and allows employee to manage time accordingly through the year
  – Time will be allotment-based for all employee groups and will be allotted July 1st each fiscal year
Paid Time Off (PTO)

• Time allotted annually on July 1st for all benefit-eligible staff, based on length of service and employee group

• Allotted time is based on CUL and prorated in first year of employment

• Annual carry forward of unused PTO days based on employee group

• No payout of PTO time upon separation or retirement
Effective July 1, 2015

• PTO program begins for all benefit-eligible exempt and non-exempt staff

  – New Employees – PTO only

  – Current Employees – PTO, and retain banks of sick leave and vacation
# Changes for Non-Exempt
(Clerical/Service/Op/Tech)

<table>
<thead>
<tr>
<th>Current Program</th>
<th>NEW Program 10-12 mo appt</th>
<th>NEW Program &lt;10 mo appt</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Vacation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrual</td>
<td>10-20 days/yr based on yrs svc</td>
<td></td>
</tr>
<tr>
<td>Carryover</td>
<td>Total up to 40 days each calendar year</td>
<td></td>
</tr>
<tr>
<td>Payout</td>
<td>Upon separation</td>
<td></td>
</tr>
<tr>
<td><strong>Personal Holiday</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrual</td>
<td>1 day/Fiscal Year</td>
<td></td>
</tr>
<tr>
<td>Carryover</td>
<td>None</td>
<td></td>
</tr>
<tr>
<td>Payout</td>
<td>Upon separation</td>
<td></td>
</tr>
<tr>
<td><strong>Sick Leave</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrual</td>
<td>10 days/yr</td>
<td></td>
</tr>
<tr>
<td>Carryover</td>
<td>Unlimited</td>
<td></td>
</tr>
<tr>
<td>Payout</td>
<td>Upon “Official Retirement” (Age 55, 10 years of service), based on formula</td>
<td></td>
</tr>
<tr>
<td>Short Term Disability</td>
<td>Fully funded by Purdue</td>
<td>Fully funded by Purdue</td>
</tr>
</tbody>
</table>

**Paid Time Off**

- **Allotment**
  - Up to 1 yr svc
  - 1 to <5 yrs svc
  - 5 to <10 yrs svc
  - 10+ yrs svc
  - 10 days
  - 15 days
  - 20 days
  - 25 days
  - 7 days
  - 10 days
  - 14 days
  - 17 days

- **Carryover**
  - Up to 15 days each July 1
  - Up to 10 days each July 1

- **Total Maximum**
  - 40 days
  - 27 days

- **Payout**
  - None
  - None

Short Term Disability

- Fully funded by Purdue
  - Fully funded by Purdue
## Changes for Exempt
*(Faculty/Mgmt/Admin/Prof)*

<table>
<thead>
<tr>
<th>Current Program</th>
<th>New Program 10-12 mo appt</th>
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<tbody>
<tr>
<td><strong>Vacation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrual</td>
<td>25 days per year</td>
<td>17 days per year</td>
</tr>
<tr>
<td>Carryover</td>
<td>Up to 15 days each July 1</td>
<td>Up to 10 days each July 1</td>
</tr>
<tr>
<td>Payout</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Personal Business Day</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allotment</td>
<td>25 days per year</td>
<td>17 days per year</td>
</tr>
<tr>
<td>Carryover</td>
<td>Up to 15 days each July 1</td>
<td>Up to 10 days each July 1</td>
</tr>
<tr>
<td>Payout</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Sick Leave</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allotment</td>
<td>10-66 days/year based on years of service</td>
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</tr>
<tr>
<td>Carryover</td>
<td>Up to 66 days at 100% and 66 days at 75%</td>
<td></td>
</tr>
<tr>
<td>Payout</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Short Term Disability</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid Time Off</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Allotment (prorated 1st year)</td>
<td>Fully funded by Purdue</td>
<td>Fully funded by Purdue</td>
</tr>
<tr>
<td>Carryover</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Total Max</td>
<td>Total Max of 40 days</td>
<td>Total Max of 27 days</td>
</tr>
<tr>
<td>Payout</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Short Term Disability</td>
<td>Fully funded by Purdue</td>
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<tr>
<td>Payout</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
# Changes for AY Faculty

<table>
<thead>
<tr>
<th>Current Program</th>
<th>NEW PTO Program</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personal Business Day</strong></td>
<td><strong>NEW PTO Program</strong></td>
</tr>
<tr>
<td>Allotment</td>
<td>Allotment (prorated 1st year)</td>
</tr>
<tr>
<td></td>
<td>17 days per year</td>
</tr>
<tr>
<td>Carryover</td>
<td>Carryover</td>
</tr>
<tr>
<td></td>
<td>Up to 10 days each July 1</td>
</tr>
<tr>
<td>Payout</td>
<td>Payout</td>
</tr>
<tr>
<td></td>
<td>None</td>
</tr>
<tr>
<td><strong>Sick Leave</strong></td>
<td><strong>TOTAL MAX</strong></td>
</tr>
<tr>
<td>Allotment</td>
<td>Total Max</td>
</tr>
<tr>
<td></td>
<td>Total Max of 27 days</td>
</tr>
<tr>
<td>Carryover</td>
<td>Payout</td>
</tr>
<tr>
<td></td>
<td>None</td>
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<tr>
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<td>Short Term Disability</td>
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<td></td>
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<td>Short Term Disability</td>
<td>None</td>
</tr>
</tbody>
</table>

- **PTO for AY Faculty is intended to be used for sick leave and personal business days**

- **AY Faculty will continue to be on unpaid leave when classes are not in session during the academic year**
Short Term Disability for All

- 100% employer-paid Short Term Disability
- Coverage begins immediately upon hire
- 14 calendar day elimination period (10 work days)
- 65% replacement salary up to 90 days (Long Term Disability begins 91st day)
- Able to supplement with other paid leave
- Benefits received are taxable
Current Employee Transition

Vacation – Exempt and Non-Exempt

• All vacation up to 44 days will be “banked” for future use

• No additional time will accrue

• Paid out upon separation
Current Employee Transition (cont.)

Sick Leave: Non-Exempt (Cler/Svc)

• All accrued sick leave will be “banked”

• No additional time will accrue

• Available to use for illness/family illness, supplement Short Term Disability and Worker's Comp
All current clerical and service employees will continue to receive payout of banked sick leave upon “Official Retirement” from Purdue.

(25% of first 520 hours and 100% of hours above 520)
Current Employee Transition (cont.)

Sick Leave: Exempt & Current Op/Tech

• Bank sick leave in the amount of 10, 22, 44, or 66 full days, based on CUL and length of service only, not prior usage

• 75% sick days are replaced by Short Term Disability program

• No additional time will accrue

• Available to use for illness/family illness, supplement Short Term Disability and Worker’s Comp
Current Employee Transition (cont.)

PTO - Current Op/Techs, less than 10 years

• Will receive PTO allotment equivalent to either 25 or 17 days, (depending on appointment) regardless of length of employment
Automated Leaves Tracking

- **Exempt**
  - Employee Self Service, on-line leave upgrade and full roll-out 4/1/15, old plan provisions
  - Employee Self Service, on-line leave will be updated to reflect PTO for 7/1/15
  - Ongoing tracking of PTO and Banked Vacation/Sick Leave

- **Non-Exempt**
  - SAP will be updated to include PTO time
  - KRONOS will be updated to include PTO

  Processes, time cards, etc. will be updated for 7/1 effective date
Next Steps

• On-line information is available
  – FAQs
  – Schedule of information sessions
  – Detailed Employee Scenarios

• Email questions or comments to timeoff@purdue.edu

• Call HR customer service at 765-494-2222