Policies for Professional Staff and Support and Service Staff not Covered by a Union

Paid Time Off (PTO) Policy for Professional (PA) Staff
PA/SS 10.6

Effective August 23, 2009
Last updated June 26, 2013

Changes indicated with *italics and underlining* will become effective January 1, 2010.

Employees covered by this policy
This policy applies to Professional Staff employees.

A. Purpose:

1. This policy provides Professional Staff employees with a structured benefit plan for pay during certain periods of leave as a component of total compensation.

2. Indiana University believes that full-time Professional Staff employees should be afforded certain amounts of paid leave to conduct personal affairs and to have a break from the demands of work. Managers are encouraged to support this purpose by anticipating paid time-off in formulating organizational structures and work schedules.

3. In addition to PTO, Professional Staff are provided other paid time-off benefits: holidays, voting and court duty, and military duty. See related time off policies for details.

4. Professional Staff classified as PAO or PAU are covered by the federal Fair Labor Standards Act's (FLSA) recordkeeping and overtime provisions. Positions in this classification are paid an hourly rate, with total pay based on the number of hours worked and hours covered by a paid leave plan. Employees and managers are expected to maintain accurate records of specific hours worked, overtime and compensatory time, hours covered by a paid leave plan, and any absence or leave without pay. Hours in pay status in excess of 40 hours in the University's work week, which starts and stops on Saturday at midnight, are covered as overtime or compensatory time. See the Overtime policy for details.

5. Professional Staff classified as PAE are exempt from FLSA overtime provisions and are not eligible for overtime pay. Positions in this classification are paid a monthly salary based on the position's FTE (full time equivalency) status and the accomplishment of goals or objectives. PAE classified employees and their managers are not expected to maintain records of specific hours worked. It is
expected that PAE employees and their managers are ensuring that the average weekly work effort in each month is consistent with the position's FTE status. (For example, a 100% FTE position is expected to work an average of at least 40 hours a week during a month; a 50% FTE position is expected to work an average of at least 20 hours per week.)

6. Managers and Professional Staff may set up alternative work schedules, either on an on-going or ad-hoc basis.

B. Introduction

1. Several types of personal leave are covered by this single benefit plan, including vacation time, personal or family sickness, attendance at a funeral, and other personal affairs.

2. PAO and PAU Professional Staff are paid bi-weekly and accrue a certain number of PTO hours at the end of each bi-weekly pay period, which can be used in following pay periods, based on the below policy provisions.

   a. General guidelines for managers:

      i. Actual hours worked and time-off are to be recorded in the University's payroll system, with employee's pay based on hours worked, any overtime, compensatory time used, and paid time-off used.

      ii. All time in pay status in excess of 40 hours in the University's work week are to be paid as overtime or accrued as compensatory time, in accordance with federal regulations and the associated University policy, without exception.

      iii. All time not worked based on the position's FTE status (i.e. actual work less than 40 hours a week) should be counted as PTO, another paid leave, or absence without pay.

3. PAE Professional Staff are paid monthly and accrue a certain number PTO hours at the end of each month, which can be used in following months, based on the below policy provisions.

   a. General guidelines for managers:

      i. Employees are paid a monthly salary based on FTE status and the accomplishment of goals and objectives, and work effort may exceed the position's FTE status (i.e. more than 40 hours a week) without overtime or compensatory time. (PAE Staff are not eligible for overtime or compensatory time.)

      ii. On a periodic basis for many PAE Staff and on a regular basis for higher level PAE Staff, work effort may substantially exceed the position's FTE status.

      iii. A PAE employee off from work on PTO, who engages in incidental work activities from home or elsewhere through email, telephone, or other communication devices, is still to charge the day to PTO.

4. All Professional Staff employees and their managers are responsible for accurately recording PTO and other paid time-off usage (e.g., holidays, jury duty, etc.), and any absence without pay.

C. PTO Accruals

1. PTO accruals are based on the following tables, subject to the below provisions:

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<tr>
<th>University Service</th>
<th>PTO Accrual</th>
<th>Annual Equivalent Accrual</th>
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2. When PTO is accrued:
   a. For PAO and PAU Staff, PTO is accrued at the end of the bi-weekly pay period and is available to use on the first workday of the next bi-weekly pay period.
   b. For PAE Staff, PTO is accrued at the end of the last work day of the month and is available to use on the first workday of the next monthly pay period.

3. Accruals at the beginning and end of employment:
   a. For PAO and PAU Staff, in the first and last bi-weekly pay period, the amount of PTO accrued is prorated based on the number of hours in pay status in that pay period.
   b. For PAE Staff, in the first and last month of employment, the amount of PTO accrued is prorated based on the number of work days in pay status in that month.

4. Part-time employees accrue a prorated amount of PTO according to their position's FTE status.

5. There is no accrual of PTO during the following time periods:
   a. A formal leave of absence
   b. A temporary or permanent reduction in force
   c. An absence without pay as defined in Policy 10.1 Time Off Accruals During Absences

6. Accrual of PTO is based on amount of time in pay status.
   a. For PAO and PAU Staff, the amount of PTO accrued in a bi-weekly pay period is prorated based upon the amount of time in pay status in the pay period.
   b. For PAE Staff, the amount of PTO accrued in a monthly pay period is prorated based upon the amount of time in pay status in the month.

7. Increase in PTO accrual rate at 60 months of University service:
   a. PAO and PAU Staff begin to accrue 11.08 hours per bi-weekly pay period at the end of the pay period in which the 60th month of University service is completed.
   b. PAE Staff begin to accrue 24 hours per monthly pay period at the end of the month in which the 60th month of University service is completed.

8. “University service” includes service as Temporary with Retirement employee and any other Staff or
Academic position eligible for benefits.

D. PTO Usage

1. When PTO may be used:
   a. For PAO and PAU Staff, PTO may only be used after the end of the bi-weekly pay period in which it is accrued. PTO accrued in a bi-weekly pay period cannot be used in the pay period in which it is accrued.
   b. For PAE Staff, PTO may only be used after the end of month it is accrued. PTO accrued in a month can not be used in the month in which it is accrued.

2. Employees cannot "borrow" future accruals of PTO with one exception. A new employee hired on October 1 or later may borrow PTO needed to cover a department's closing between Christmas and New Year holidays if the employee has not accrued enough PTO to cover the closing.

3. Maximum usage of PTO in a year.
   a. For PAO and PAU Staff, the maximum usage of PTO in the 26 consecutive bi-weekly pay periods beginning with the pay period in which January 1st falls and continuing through the last full pay period in December is equal to 240 hours or 288 hours prorated by their position's FTE status.
   b. For PAE Staff, the maximum usage of PTO in a calendar year is equal to 240 hours or 288 hours prorated by their position's FTE status.
   c. If an employee’s FTE changes during the year, the maximum usage of PTO in that year is based on the higher FTE. Employees may use 288 hours in the year in which the 60th month of University service is completed.
   d. The following leaves do not count toward this annual PTO usage limit:
      i. PTO taken as part of a FMLA leave of absence. See the FMLA policy for details.
      ii. PTO taken to cover military training.
      iii. PTO taken to supplement Workers' Compensation.
      iv. PTO taken under the University’s Adverse Working Conditions policy or the Pandemic Emergency policy.

4. PTO can be used to cover military training not covered by the provisions of the Leaves for Military Duty policy.

5. PTO can be used for bereavement time, funeral attendance, and activities related to the funeral. (Professional Staff do not have a separate benefit for bereavement leave.)

6. PTO usage for PAO and PAU Staff: PTO accruals must be taken and recorded in exact number of hours, including tenths of hours.

7. PTO usage for PAE Staff: PTO accruals must be taken in full day increments of 8 hours per day.

E. Approvals for Usage

1. Employees must have supervisory approval to use PTO, except as noted below.

2. Employees who encounter a personal or family illness or an emergency may charge the time off to PTO. The employee must notify the supervisor as soon as possible as to the reason for the time off.
and the expected date/time of return. The employee may be required to provide documentation regarding the nature and circumstances of the absence.

3. A department head may approve a request for time off without pay even if the employee has PTO available to cover all or part of the absence. This provision only applies to full day absences, and must be approved in advance by the employee’s department head. There are two cases in which there are restrictions affecting this department head option:
   a. Employees are not permitted to take FMLA covered absences off without pay if they have paid time off available. See the FMLA policy for details.
   b. Employees have the choice to use or not use PTO for absences under the Leaves for Military Duty policy. See the Military Leave policy for details.

4. If two or more employees request time off for the same time period, and the department's staffing needs do not allow both employees to be off, the person with unit seniority is generally given preference. However, if a supervisor has previously given permission to a less senior employee for the same time period, that employee's request is honored.

5. It is management’s responsibility to monitor attendance and the accurate recording of time-off, including partial day absences, and to address unacceptable patterns of attendance through the Corrective Action policy.

F. Recording PTO Usage

1. The process for recording PTO must contain the following provisions at a minimum.
   a. PAO and PAU Staff are to record PTO usage at least weekly and PAE Staff are to record PTO usage at least monthly.
   b. The use of PTO is to be maintained on a University-provided record. (PAO and PAU employees use the University's TIME system and PAE employees use the University’s ePTO system.)
   c. After the end of each bi-weekly pay period for PAO and PAU employees and the end of each month for PAE employees, supervisors are to review employees’ records to confirm accuracy and make any necessary corrections.

G. Calendar Year–End Unused PTO Accrual Balances

1. Up to the annual equivalent accrual amount of PTO may be carried over into the following calendar year:
   a. Employees with fewer than 60 months of University service may carry over 240 hours.
   b. Employees with 60 months or more of University service may carry over 288 hours.
   c. Employees may carry over 288 hours at the end of the year in which the monthly accrual rate increases to 24 hours for PAE Staff and the bi-weekly accrual rate increases to 11.08 hours for PAO and PAU Staff.

2. Carryover amounts are recorded as beginning PTO balances for the new calendar year. Such balances do not increase the annual allowance for the new calendar year, but do allow Staff to use the time earlier in the year.

3. Employees may allocate up to 96 hours of unused PTO to her or his PTO Sick Leave account. Employees with PTO hours in excess of the carry-over maximums will have the excess hours up to a limit of 96 hours allocated to their PTO Sick Leave account.
4. Unused year-end PTO accruals that can not be carried over into the next calendar year or allocated to the PTO Sick Leave account are forfeited.

H. PTO Sick Leave Account

1. At the end of each calendar year, full-time (100% FTE) employees with PTO hours that cannot be carried over will have up to 96 of those hours allocated to a PTO Sick Leave account. For part-time employees, this amount is prorated by their position's FTE percent. There is no limit on the total amount of time an employee may have in her or his PTO Sick Leave account.

2. Employees may use time from their PTO Sick Leave account to cover personal or family illness or Worker's Compensation supplemental pay. Managers may require confirmation of illness or injury through a licensed physician's statement. Persons qualifying as family include the following:
   a. A spouse as defined by Indiana law, or same sex domestic partner as qualified by the University's Affidavit of Domestic Partnership
   b. An unmarried child at home including the child of the same sex domestic partner
   c. Relatives of the employee, spouse, or same sex domestic partner who are living with the employee
   d. Parents, children, grandparents, grandchildren, brothers, sisters and relatives of the spouse or same sex domestic partner of the same degree who are solely dependent on the employee for emergency care.

3. Employees may use time from their PTO Sick Leave account to cover funeral attendance.

4. PTO Sick Leave usage for PAO and PAU Staff: PTO Sick Leave accruals must be taken and recorded in exact number of hours, including tenths of hours.

5. PTO Sick Leave usage for PAE Staff: PTO accruals must be taken in full day increments of 8 hours per day.

I. Reductions in Pay for PAE Staff

1. With the exception of FMLA and Worker’s Comp covered absences, under FLSA regulations, any reductions in salary for a PAE Staff employee can only be made in full day increments. If any portion of a day is worked and/or covered by PTO, PTO Sick Leave, or other paid time-off benefits, then the employee must receive full pay for the day. See the FMLA policy or the On-the-Job Injury policy for more information.

J. Effect of Classification Changes (promotion, demotion, transfer, or reclassification)

1. Within the PA Classifications (PAE, PAO, PAU)
   a. Existing PTO and PTO Sick Leave account balances carry forward. The provisions of the time off plan identified with the new classification will then be applied for usage.

2. From the PB time off plan to the PTO plan for PA Staff
   a. The balance of sick leave time is transferred into a PTO Sick Leave account.
   b. The balance of vacation time and bonus holidays -- up to the maximum amount allowed in the new plan -- is transferred into a PTO account. This amount serves as the beginning balance.
   c. The balance of any Honorary vacation is transferred to an Honorary vacation account. No additional Honorary vacation is earned. With supervisory approval, 100% FTE Staff may use up to a maximum of 60 of the Honorary vacation days per year. Part-time employees may use a
portion of this amount, prorated by their FTE percent. This limit does not apply to use of Honorary vacation for a FMLA leave of absence.

d. The provisions of the time off plan associated with the specified classification will then be applied for accruals and usage.

3. From a Support and Service Staff position to a Professional Staff position
   a. The balance of Income Protection time is transferred into PTO Sick Leave account.
   b. The balance of Vacation time is transferred into a PTO account. This amount serves as the beginning balance.
      i. If the balance exceeds the maximum usage amount allowed, the excess time is carried over as PTO, but it must be used or transferred to the PTO Sick Leave account by the end of the following year or it is forfeited. The limit on the maximum usage of PTO in a year is waived during this period subject to scheduling with management. The 96 hour maximum amount of PTO that can be transferred to the PTO Sick Leave account is waived at the end of the first year and the end of the following year.
   c. Holiday time not yet used is transferred.

4. From a Professional Staff position to a Support and Service Staff position
   a. The PTO balance is transferred to a Vacation time account.
   b. The PTO Sick Leave account balance is transferred to an Income Protection time account.
   c. Any previously accrued Honorary vacation is transferred to the vacation time account.

5. From an Academic, full-time, 10 or 12 month, appointment to a Professional Staff position
   a. The balance of vacation (up to a maximum of 22 days, 176 hours) is transferred into a PTO account. The employee’s academic unit is to certify to Payroll the amount of vacation time to transfer. This amount serves as the beginning balance.
   b. A beginning balance in the PTO Sick Leave account is established based on one-half day of sick leave for each month of University service credit.

6. From a Professional Staff position to an Academic appointment
   a. PTO and PTO Sick Leave account balances do not transfer to an Academic appointment. Accumulated time off is paid in accordance with the below provisions.

K. Payment of Unused Accruals Upon Termination

1. All PTO accrued and unused at the end of the last day of employment is paid.

2. Some Professional Staff on the PA time off plan receive separation pay for accrued PTO Sick Leave account hours. To be eligible, the employee must separate with IU Retiree status, be covered by PERF or the IU Retirement Plan 11.25% contribution level, and have more than 152.0 PTO Sick Leave account hours. Eligible Staff receive pay at the rates listed below
   a. 25% of pay for 152.0 through 312.0 hours
   b. 50% of pay for hours more than 312 hours.

3. Staff covered by the IU Retirement Plan 10%, 12%, or 15% contribution levels do not receive
separation pay for PTO Sick Leave account accruals with one exception. Employees in the 12% contribution level who have more than 50% of their years of IU employment in a PERF covered position will receive a prorated amount of the PTO Sick Leave account payment based on the percentage of total IU employment under PERF.

4. The payment for unused PTO accruals and any PTO Sick Leave accruals is treated as taxable income, subject to federal and state income taxes and employment taxes.