Changes to Employee Leave Program

Effective January 2024

On September 7, 2022, the Board of Curators approved a new leave program, which is scheduled to begin in January 2024. Resources and educational opportunities will be available to keep the university community informed.

Leave Program Structure

The new leave program combines the current separate buckets of leave (vacation, sick, and personal) into one PTO bucket. Under PTO, employees will no longer have to choose from a specific bucket of time, but will instead have the flexibility to use the time off as they choose. For the first time, the university will also offer paid parental and caregiver leave, as well as short-term disability.

Approved Leave Program Effective January 2024

Fixed Leave	Holidays 9 per year		Winter Break (campus only) 4 Days per year	
Flexible Leave	Years of Service Less than 5 years 5 – 15 years 15 or more years	Non-Exempt (Hourly) 18 days 23 days 28 days		Exempt (Salaried) 23 days 28 days 28 days
Qualifying Leave	Short-Term Disability Covers 60% of employees' pay for up to 20 weeks	Parenta Covers 1 employees' p 4 we	.00% of eay for up to	Caregiver Leave Covers 100% of employees' pay for up to 2 weeks

^{*}MU Health Care hourly employees will also have a PTO cash-in option. Additional details for the cash-in option will be provided as they are available.

About Earning and Accruing PTO

Employees will be able to accumulate a maximum of 2 times their annual PTO accrual at any time. For example, if an employee earns 18 PTO days per year, they can carry a maximum of 36 days (18 times 2). Once an employee reaches their maximum, no new accruals are earned until the balance is used down below the maximum. Employees will continue to earn their paid time off in hours each week based on their annual allowance. Hours will be prorated for employees working less than 100% FTE.

About Existing Vacation, Sick and Personal Balances

Employees will continue to accrue their vacation, sick and personal days under the current programs until the new leave program begins in January 2024. When the transition to the new plan occurs, employees' existing accruals will be treated as outlined below.

Vacation

Options:

- Ability to transfer vacation to PTO
- Payout vacation at a specific point in time
- Combination of the two above options

Sick

Banked balances:

- Continue to be eligible for service credit at retirement*
- Supplement University paid Short-term Disability
- If PTO bank and other leave options exhausted, use for sick leave occurrences

Personal

No new accruals after transition:

 Employees will have until their anniversary date in 2024 to use or lose remaining personal days

*Employees in the DB Plan or Hybrid Plan (<u>umurl.us/retplans</u>) will continue to be eligible for service credit for any remaining banked sick leave at retirement.

About Parental Leave

Parental leave provides four weeks of paid time off within a rolling 12-month period for employees who are welcoming a new child into their home. Leaves for birth, adoption or foster care must be taken within 12 months of the qualifying event. Employees may also use their annual PTO allocation if they would like to take additional time off to welcome a child. Qualifying events include:

- The birth of a child, or
- The placement of a child with the employee for adoption or foster care

About Caregiver Leave

Caregiver leave provides two weeks of paid time off within a rolling 12-month period to care for a family member with a serious health condition as defined by our Family and Medical Leave Act rule. Employees may also use their annual PTO allocation if they need additional time off.

About Short-Term Disability

University paid short-term disability covers 60% of an employee's salary when they are unable to work due to a temporary medical disability for up to 20 weeks. Short-term disability has an elimination period of seven calendar days (five working days). Employees may utilize PTO or banked sick leave to cover the elimination period and also may use PTO or banked sick leave to supplement their short-term disability and receive income of up to 100%.

About the Timeline

October 2022 to December 2023

- Ongoing resources, communications and support.
- Configure and test myHR/PeopleSoft HR and other software with new program designs.
- Conduct trainings for employees, managers and timekeepers.

January 2024 - New leave plan is implemented