



**DILLARD**  
UNIVERSITY

Paid Time Off Policy (7/1/2024)

## INTRODUCTION

In order to respond to the realities of a modern workforce, the University will amend its current vacation and sick leave policies. This revised policy works in concert with the University's new approach to flexible work schedules and remote work, which are embodied in newly developed policies shared with the University community at the same time as this policy.

Effective July 1, 2024, employees will no longer accrue paid time off and there will not be a distinction between "vacation time" and "sick leave." All forms of paid leave shall be considered Paid Time Off ("PTO") and are a gratuity provided to employees to assist in the work/life balance. With this change, employees will no longer be paid vacation time upon their separation from employment. This incentivizes employees to use their PTO during the fiscal year in which employees receive their PTO allotment. Importantly, the University is focusing on providing additional flexibility to employees dealing with multiple demands on their time.

Employees will be able to use PTO for their own sick leave and vacation leave **and** to attend medical appointments for their children, spouses and others for which they are caregivers. They also will be able to use PTO to run important errands during the week that may otherwise take longer than the hour an employee has for lunch.

The new PTO policy provides a level of flexibility that employees have not had before. And, the University established the baseline guidance on hours to ensure that employees started each fiscal year with enough flexibility to take advantage of the existing short-term disability benefit offered by the University.

Below is the revised PTO policy.

## I. Implementation

### A. Vacation Carry Over

Just as with the prior vacation policy, all employees hired before July 1, 2024 will be able to carry over a maximum of forty (40) hours of vacation leave effective July 1, 2024. And, if such an employee separates from the University between July 1, 2024 and June 30, 2025, they will receive up to forty (40) hours of accrued, unused vacation time. All eligible employees carrying vacation time into the 2024-2025 academic year must use such vacation time prior to using any PTO. Guidance for supervisors with respect to PTO for employees carrying over vacation time during the 2024-2025 academic year will be to increase the recommended allowance of PTO use. Put simply, any carried over vacation time shall be added to the recommended PTO limits below.

### B. Sick Leave

Sick leave will not carry over. Effective July 1, 2024, supervisors will code all absences related to an illness or medical issue as PTO. The University has established base guidelines to account for the fact that, after a twenty-nine-day absence period, an employee could be eligible to participate in the University's short-term disability benefit.

**\*Example #1:** Employee suffers a neck injury in a car crash and expects to miss at least thirty days of work. That employee would contact their supervisor and HR to advise them of the injury and anticipated period of absence. The supervisor would code all missed days as "PTO" and then work with HR to monitor the employee's absence for short-term disability eligibility. If eligible,

\*These scenarios are for illustrative purposes only. Each situation shall be addressed on a case-by-case basis.



the employee would receive their regular rate of pay for the first thirty days, and then the disability benefit would kick in.

**\*Example #2:** An employee seeks to leave work for a half day to attend a medical appointment for their elderly parent. With proper approval and notice, the employee will be able to use PTO as opposed to vacation time. This is a change to the previous policy and provides employees with more flexibility.

### C. PTO Basics

**PTO is not an earned wage.**

PTO is a gratuitous benefit of employment granted solely at the University's discretion. Effective July 1, 2024, PTO is not an earned benefit, and is not to be considered an amount due or a wage for any purpose. University employees will not be compensated upon separation of employment for unused PTO.

University closures during recognized holidays shall not be counted as PTO.

### D. Eligibility

The University provides paid days off, equivalent to the employee's daily pay (excluding overtime) to all regular full-time employees in accordance with the guidelines below. Part-time, temporary, probationary employees and faculty members are not eligible for PTO under this policy.

PTO may not be used until after satisfactory completion of the probationary employment period unless such usage is approved by both Human Resources and an employee's supervisor.

### B. Recommended PTO Parameters

Below is a table of recommended parameters for PTO based upon an employee's years of service. These are guidelines only and an employee's supervisor has the sole discretion on how and when to grant PTO. Supervisors should consult with HR if considering granting employees more or less PTO than established by the guidelines below. For employees who start mid-year, the recommended parameters shall be prorated. PTO use may be subject to black-out days based upon a department's workload:

Years of Service	Recommended Parameters for Paid Time Off
0-5 years	240 hours
5-10 years	260 hours
10+ years	280 hours

### C. Advanced PTO Requests

PTO may be taken at a time mutually acceptable to an employee and their supervisor. Employees should make their PTO requests as far in advance as possible, but no later than two weeks prior to

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the first day of the planned absence. Supervisors will attempt to grant an employee the PTO dates that they request but reserve the right to deny any vacation request when, in the supervisor's discretion, the requested vacation will interfere with University/Departmental needs.

Generally, supervisors shall grant PTO on a first-come, first-served basis.

#### **D. Using PTO**

Employees may take PTO in four-hour increments. When PTO is used for a whole day, the hours used must equal the normally scheduled hours for the employee's workweek.

Each quarter, HR shall review PTO use with the Administration to ensure supervisors are granting PTO in an equitable manner.

#### **E. Unused PTO**

**PTO is a gratuitous benefit that will not roll over.** If an employee does not use PTO in the amount recommended in the table above, they do not receive any additional compensation. Denial of PTO is not discipline and is not grievable. Upon an employee's departure from the University, they shall not be entitled to any PTO payout as it is a gratuitous benefit that is not accrued and does not vest.

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