PAID TIME OFF BENEFIT	(HR-3.05)
Summary	Carolinas HealthCare System (CHS) encourages team members to take time away from work to rest, relieve stress, and take care of personal and family responsibilities. Team members benefit from time off and time away from the workplace. CHS knows that team member rest helps increase work quality, boost morale, and maintain a healthier and happier workforce. CHS, through our Total Rewards program, is proud to offer team members a plan encouraging paid time off without the worry of the security of a paycheck.
Applies to:	➢ All CHS full-time and part-time team members - eligibility for this benefit may differ.
Definitions	➢ Paid Time Off (PTO) ➢ Benefit Service Date ➢ Medical Emergency ➢ Standard Work Week

Procedures	➢ General Guidelines
	  • Eligibility
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	    ‣ Holidays and Use of PTO
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Related Policies	➢ Policy 2.10, *Holiday Pay* ➢ Policy 5.14, *Emergency Event Staffing* ➢ Policy 2.18, *Community Benefit & Volunteering*
Related Links	➢ Request for Paid Time Off ➢ PTO Donation Form

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PAID TIME OFF BENEFIT   (HR-3.05)

Definitions

➢ **Paid Time Off (PTO)**

Paid Time Off (PTO) is a bank of hours that each eligible team member earns and may use. It is a combination of vacation, sick, and holiday time off.

➢ **Benefit Service Date**

A team member's benefits service date is generally the most recent hire date. If a team member changed status prior to 1/1/2013 (from benefits eligible to non-benefits eligible or vice versa), their benefits service date may be different than their hire date. One can find out their benefits service date by asking their unit or department leader; it is located in YourHRLink under the Manager tab on the Team Member Information page.

➢ **Medical Emergency**

Medical emergency is defined as an unexpected medical event. Planned medical procedures, elective cosmetic procedures, and non-medical emergencies are not included.

➢ **Standard Work Week**

A work week is the team member's regularly scheduled, budgeted hours in a week.

General Guidelines

Eligibility

➢ The following team members are eligible to earn PTO:
- Full-time team members,
- Part-time team members scheduled to work at least 40 hours per pay period,
- Weekender RNs scheduled to work at least 48 hours per pay period *(this plan is designed to provide weekender RNs time off with pay for every tenth weekend and for any unplanned or sudden need)*, and
- Half Track bedside RNs and LPNs scheduled to work at least 32 hours per pay period.

Earning PTO

➢ The PTO benefit is a way in which CHS rewards team members with longer-term service. The longer a team member is with CHS, the more time off a team member earns. Accrual rates (how much one earns) are based on a team member's years of continuous service from their benefit service date.

➢ Earning PTO starts immediately upon eligibility and hire for most team members. (Weekender RNs accrue PTO at the completion of 90 days of employment).

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➢ Team members earn time off benefits throughout the week. On Saturdays, team members are awarded their weekly time off earnings in their banks. Hours earned during each pay period are added before hours taken are subtracted.

➢ Team members earn PTO during the first 12 weeks of medical, family care, or military leave.

➢ CHS wants team members to take time away from the workplace. Time away benefits the team member and CHS. Because of this, a limit is set on how many PTO hours a team member may have in their bank. Once that limit is reached, the team member no longer earns PTO benefits.

➢ The following table shows accrual rates and the limit to how many earned PTO hours a team member may have in his/her bank.

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Team Member Status/ Standard Hours per Pay Period	Years of Service (Based on Benefit Service Date)	Pay Period Accrual Rate (Hours)	Maximum Accrual Balance (Hours)
Full-Time **72 – 80 hours**	Less than 1	7.38	320
	1 but less than 2	7.69	320
	2 but less than 3	8.62	320
	3 but less than 4	8.93	320
	4 but less than 5	9.24	320
	5 but less than 10	9.54	320
	10 but less than 15	10.16	320
	15 but less than 20	10.47	320
	15 but less than 25 (CMC NorthEast hired on or before 12/20/08)	10.77	320
	20 but less than 25	10.77	320
	25 and over	11.08	320
Part-Time **60 – 71 hours**	Less than 1	5.54	240
	1 but less than 2	5.77	240
	2 but less than 3	6.47	240
	3 but less than 4	6.70	240
	4 but less than 5	6.93	240
	5 but less than 10	7.16	240
	10 but less than 15	7.62	240
	15 but less than 20	7.85	240
	20 but less than 25	8.08	240
	25 and over	8.31	240
Part-Time **40 – 59 hours**	Less than 1	3.69	160
	1 but less than 2	3.85	160
	2 but less than 3	4.31	160
	3 but less than 4	4.47	160
	4 but less than 5	4.62	160
	5 but less than 10	4.77	160
	10 but less than 15	5.08	160
	15 but less than 20	5.24	160
	15 but less than 25 (CMC NorthEast hired on or before 12/20/08)	5.38	160
	20 but less than 25	5.39	160
	25 and over	5.54	160
Weekender RNs **48 hours**	All length of service	4.62	120
Half-Track **32 hours** (Bedside RNs and LPNs)	Less than 1	3.69	140
	1 but less than 2	3.85	140
	2 and over	4.00	140

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Team Members Changing Status

➢ Team members sometimes increase or decrease their work commitment to CHS. When this happens, a team member may move from a status not receiving PTO to one that does receive PTO, or vice versa. PTO will be earned or stopped from the date the status change was effective. Years of service for purpose of the PTO benefit will not be affected by changes in status.

➢ Team members decreasing their work commitment to CHS may move from an earning status to a non-earning status for PTO. If this happens, the team member is awarded and paid the value of any PTO in their bank.

➢ Team members sometimes change from one status to another and the new status has a different earning rate. In this situation, team members will experience a change in their PTO earning rate. In order to be in line with the policy, total earned and banked PTO may not be over the limit for the new status. If it is, the team member is awarded and paid the value of any PTO in their bank that is over the new limit. *Exception: The maximum PTO balance for team members transferring to weekender RN is 99 hours. CHS does this to make sure weekender RNs do not hit their 120 hour maximum upon working a few weeks in their new status.*

➢ Team members who change status during a pay period receive an adjustment in their PTO earning rate on the Saturday following the effective date of their new status.

Payment of PTO

➢ PTO is awarded and paid at the team member's current base rate of pay. So it does not matter what pay rate a team member was at when the PTO was earned - CHS pays it at the pay rate at the time of use or payment. Overtime, differentials, and other pay premiums are not included in PTO payment.

Scheduling PTO

➢ It is important for new team members to be at work in order to learn and become comfortable with their duties and responsibilities. Therefore, use of PTO requires the completion of 90 days of employment.

➢ Team members may conveniently see their PTO earned hours on YourHRLink (there may be a slight time delay before reflected). Before PTO can be scheduled, the earned hours must show on the pay statement or the team member must have the ability to earn the amount of PTO necessary by the time it is requested for use. PTO cannot be advanced for any reason other than holidays as described below in this policy (exempt (salaried) team members only).

➢ PTO is to be scheduled in at least one hour minimum periods.

➢ When PTO hours are available, absent time cannot be used in lieu of PTO unless the absence is less than one hour or due to the following:

- Approved Educational Leave
- Family Medical Leave
- Military Leave
- Military Family Leave

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- Workers' Compensation injury
- Restriction that is part of the Return to Work Program
- Infectious Disease as approved by Employee Health.
- Time off by the school faculty due to school not being in session.
- Unauthorized time under Policy 5.14, *Emergency Event Staffing*, for non-exempt (hourly) team members.
- Low census as approved by leadership for non-exempt (hourly) team members.

➢ Some team members at CHS handle cash and/or other identified assets as part of their job. As part of the general business audit process, team members in these areas are required to take at least five consecutive workdays off yearly. These days may be taken as PTO or, if there is not PTO in the bank, then as absent time without pay.

➢ Department and unit leaders must balance PTO requests with making sure that staffing needs are met and the mission of CHS is being moved forward. There may be times when a request for PTO is not approved. When time off requests conflict among team members, preference is given to the earliest request submitted. If this does not resolve the conflict, the team members' length of service will determine who gets the time off request. Requests for holiday time off will be considered the same as any request for PTO. The department or unit leader, or a person chosen by them, is responsible for approving or denying PTO requests. This approval or denial is to be done at the earliest convenient date to make sure team members can plan for their time off.

Use of PTO

➢ Holidays and Use of PTO

- For a list of CHS recognized holidays, please see Policy 2.10, *Holiday Pay*.
- Team members with an approved PTO request will be awarded PTO pay in their paycheck for the holiday.
- Team members in units or departments that are closed for a holiday observance must use their earned PTO.
- For team members in orientation period (first 90 days) or with no accrued PTO available to use for the holiday, the following will apply:
    ▷ Non-exempt (hourly) - The team member may take absent time without pay.
    ▷ Exempt (salaried) - The department or unit leader may call Human Resources Records Management to have PTO advanced.

➢ Leaves of Absence and Use of PTO

- Please recognize that PTO is a benefit that CHS must plan for financially and operationally. Team members on approved leave of absence may choose to use accrued PTO, except when a team member has Catastrophic Bank time and uses it under leave guidelines.

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➢ Unscheduled Time Off and Use of PTO

Team members must comply, to the extent possible, with unit or department policies surrounding calling off work for illness or emergencies. In most cases, this is at least one hour prior to start time, but some units or departments may have a different time frame.

➢ There are certain instances in which a team member is away from their typical work location, but still performing work benefiting Carolinas HealthCare System. In these instances the teammate should be paid hours worked and PTO should not be used. Please reference Policy 2.18, *Community Benefit & Volunteering* to determine if the team member should be paid or if the team member's activities are considered personal volunteering.

PTO Cash-in

➢ Although CHS highly encourages team members to use their PTO for time away from work, sometimes for various reasons, team members do not use their PTO time. CHS does not want team members to lose earned PTO rewards in these cases. We are proud to offer team members the option to cash in PTO twice yearly (May and December are the cash-in periods although election for either must be done in the previous December).

➢ Team members are encouraged to keep at least three (3) weeks of earned PTO in their banks for use in the case of illness or unexpected emergency. Team members must have more than 40 hours of PTO in their bank to participate in the PTO cash-in; their balance will not be allowed to go below 40 hours with the cash-in election.

➢ Cash in of PTO is paid at the team member's rate of pay at the end of the previous year.

➢ Team members changing from an ineligible to eligible status must wait until the next election period (December) before having the option to cash in PTO.

➢ Team members who are eligible for PTO have the option to cash in PTO in the following calendar year. CHS complies with the following IRS guidelines surrounding cash in of PTO:

- Elections are to be made through eForm during the December election period prior to the year the PTO hours are earned and the cash-ins are paid. Cash in dates are given on the eForm. The eForm may be found at PeopleConnect > Tools & Forms > eForms > PTO Cash-in Election Form.

- Team members may cash in only PTO hours earned during the year the cash in is paid. PTO hours earned in previous years are not available for cash in.

- Cash-in elections are final and may not be changed for any reason.

- Cash-ins will be at the team member rate of pay during the election period the previous December.

➢ PTO Cash-in Frequently Asked Questions are available on PeopleConnect.

Donating PTO

➢ CHS is proud to offer a PTO donation program to team members who want to give to other team members in need of paid time off. We recognize and appreciate the charitable giving made by team members choosing to use this program.

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- ➢ Team members may donate PTO to other team members who:
  - Are in a position eligible to earn PTO;
  - Have a medical emergency involving the team member or any member of their immediate family including spouse, parent, or dependent child; and
  - In the case of a medical leave, have no banked hours in the following leave plans: PTO or catastrophic illness
  - In the case of family care leave (FMLA), have no banked PTO hours.
  - Donated PTO may not be used while the team member is receiving the benefit of short-term disability pay. PTO may be donated to cover the STD elimination period of 7-14 days.
- ➢ Team members may donate up to the PTO limit of the recipient team member in any rolling 12-month period. Donations may not cause the recipient to go over the PTO limit allowed.
- ➢ Only hours necessary for each medical emergency may be donated.
- ➢ Donations are strictly voluntary. Team members may not pressure other team members to donate PTO. The department or unit leader may make a brief announcement, with the prior approval of the team member needing PTO, stating that there is a known need.
- ➢ The calculation for donations is completed in Human Resources. Because it involves at least two team member pay rates, it is kept strictly confidential. The calculation is:

Donated hours x donating team member's rate of pay divided by recipient team member's rate of pay equals number of hours added to recipient team member's bank.

For example: Team member A donates 10 hours at her hourly rate of $12 to Team member B. Team member B's hourly rate is $10. The calculation would look like this:

$$10 \text{ hours} \times \$12 = \$120/\$10 = 12 \text{ hours added to Team member B's PTO bank.}$$

When a Team Member Leaves CHS: Payout of the PTO Benefit

- ➢ PTO for a team member leaving CHS is paid out according to the following chart:

Team members leaving…	Team member will…
In the first 90 days of employment	Does not receive any earned PTO hours
After completion of pay period in which 90th day falls up to second year of service at CHS	Receives 50% of earned PTO hours
Anytime after the second year of service	Receives all earned PTO hours

- ➢ PTO is scheduled and planned in balance with staffing needs. Because of this, a team member may not use PTO hours to satisfy the notice requirement for resignation.

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Team Member Responsibilities

➢ Team members are asked to carefully watch their PTO hours balance. In order to be fair to all team members and allow CHS to plan for staffing needs, no hours may be earned or carried over the limits.

➢ To request PTO, team members can submit a [Request for Paid Time Off](). This is available on PeopleConnect. The form can be submitted to the teammate's leader at least two (2) weeks prior to the date of the PTO request, except when sudden or unexpected needs arise.

➢ Please recognize that PTO is a benefit that CHS must plan for financially and operationally. Because of this, team members may not request use of PTO if they will not have PTO hours available in their bank at the time of use. Likewise, team members may not use PTO hours greater than their regular standard hours. *For example, if a team member's regular standard daily shift is eight (8) hours, the team member cannot submit nine (9) hours of PTO for that day.*

➢ If a team member chooses to donate PTO hours, the [PTO Donation Form]() must be completed, signed by the recipient's leader, and forwarded to Benefits Administration for processing.

➢ If a team member chooses to cash in PTO, this must be done according to the election guidelines provided previously in this policy.

Leader Responsibilities

➢ Leaders are to monitor team members' PTO at regular intervals (suggested quarterly). Leaders are to make sure that team members are taking time away from work to refresh their minds and bodies and relax. Time away from work contributes to increased productivity and quality.

➢ Leaders are to attempt to grant PTO requests while also balancing staffing needs and the delivery of the mission of the organization. If a PTO request cannot be granted, the leader is to discuss with the team member the reason and alternative dates.

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