

Human Resources Benefits Update For Staff Employees

Changes to Staff Paid Time-Off

This newsletter will share information about revisions to the Loyola University Chicago Paid Time-Off (PTO) program for staff. On an ongoing basis, we review Loyola's benefit programs to ensure that we meet the needs of our faculty and staff, as well as the University. We believe that quality of life is important for our employees and that it is vital for our physical, mental, and spiritual health to take scheduled time away from work. Caring for ourselves by taking time off to rest, relax, and recharge will make us better able to provide excellent service to University students, faculty, staff, visitors, and guests. These new benefits, combined with our existing benefit programs, support these values and will continue to provide a competitive total rewards program.

Please note: This update applies to regular benefit-eligible, full-time and part-time staff employees (scheduled to work at least 20 hours per week). Staff employees who are paid monthly, and faculty are not affected by these updates.

Why Are We Making These Changes?

Changes within the Paid Time-Off policy will ensure that Loyola's total rewards program is comparable with benefit programs offered at other universities in our peer group. Total rewards encompasses those attributes of an organization that employees value, which includes both tangible and intangible benefits, such as compensation, group benefits, retirement, recognition, and engagement/culture.

Changes at a Glance: What's New?

New Staff Paid Parental Leave

Loyola values human life at all stages. To better support the early stages of life and staff with growing families, a new paid parental leave will be available to benefit-eligible full-time and part-time staff beginning January 1, 2019. See "New Staff Paid Parental Leave" on page 2 for more detail.

Official Closure Days

Regular full-time & part-time staff employees will receive closure days during the last week of December. For December 2018, in addition to existing University holidays, Wednesday, December 26 through Friday, December 28 will be designated as mandated closure days for the University. Read more in "University Closure Days" on page 2.

Updates to Vacation Policy

Regular full-time and part-time employees hired to work at least 20 hours per week earn vacation time. Vacation time is earned/accrued based on FTE status. Beginning with the pay period starting on December 23, 2018, the following changes will take effect:

- In order to take vacation, the waiting period for new hire eligibility will be reduced to 90 calendar days (currently six months).
- Non-exempt employees with less than five (5) years of service will accrue three (3) weeks of paid vacation annually (increasing from previously two (2) weeks).

Details about these changes are available in "Revised Staff Vacation Policy Effective December 23, 2018" on page 3.

Updated Vacation Accrual Carryover Policy

Beginning with the first paycheck in January 2019, the maximum vacation accrual will be established at 1X annual accrual (currently, employees can carry an accrual up to 2X the annual accrual). In order to transition to this new maximum, employees carrying accrued vacation above this 1X limit as of November 10, 2018 will be paid out on the November 16, 2018 paycheck. Limiting maximum vacation accruals has become the industry standard at many universities. See “What Happens to Accrued Vacation Time?” on page 4 and “Example Scenarios” on page 5 for more details on implications of this change.

Please read this newsletter and plan to attend an Information Session to learn more about these changes.

Note: Personal/family friendly days, sick leave, funeral leave, jury duty leave, leaves of absence under the Family and Medical Leave Act (FMLA), and military service are not changing due to the new policy.

New Staff Paid Parental Leave

Benefit-eligible full-time and part-time staff will be eligible to take up to three (3) weeks of paid parental leave due to the birth, adoption, or foster placement of a child on or after January 1, 2019. This benefit will be available to staff with at least one year of service, and must be taken as one consecutive period within the first six months of the birth or placement. The new policy will cover 100% of salary for up to three weeks of leave for the mother or father who is the primary caregiver/legal guardian of a new child. If the parent is a birth mother, short-term disability will apply first before paid parental leave would go into effect.

Paid leave allows parents the opportunity to spend more time bonding with the new addition to their family. Note: If both parents are Loyola employees, both parents may take this paid leave.

Parents of children born, adopted, or placed on or after January 1, 2019 will be eligible for paid parental leave.

Paid parental leave will not be available on a retro-active basis for parents of children born, adopted, or placed before January 1, 2019.

Paid parental leave allowance will be based on employee status:

Employee Status	Amount of Paid Parental Leave
FTE (1.0)	3 weeks (15 days)
0.80 up to 0.99 FTE	12 days (90 hours if 1950 annually; 96 hours if 2080 hours annually)
0.64 based on 1950 annual hours (0.60 if based on 2080 annual hours) up to 0.79 FTE	9 days (67.5 hours if 1950 annually; 72 hours if 2080 hours annually)
0.53 up to 0.63 FTE based on 1950 annual hours (0.50 up to 0.59 FTE if based on 2080 annual hours)	7.5 days (56.25 hours if 1950 hours annually; 60 hours if 2080 hours annually)

University Closure Days

In addition to the twelve holidays listed on the University calendar for regular full-time employees, the University will officially recognize closure days during the entire week of Christmas—which includes December 24-28, 2018—and will reopen on Wednesday, January 2, 2019. The closure days will apply for regular full-time and part-time staff employees. While some days are designated University holidays, the remaining three (3) days (December 26-28) will be paid as regular pay for the week. This plan is competitive with those offered at the majority of other peer Universities in Chicagoland and nationwide, and allows for our employees to reflect on the holiday season with their loved ones.

Closure days allow staff to have mandated paid time off without using personal days, a floating holiday, or accrued vacation time. This gift of extra holiday time acknowledges the community’s need for time away with friends and family for rest, reflection, and rejuvenation as we move into the 2019 calendar year.

Note: Closure days do not apply to certain employees who may need to provide critical services during the closure. Employees required to work on a scheduled closure day may use their closure days 45 days before or after.

Revised Staff Vacation Policy

Effective December 23, 2018

We encourage all of our employees to take scheduled time away from work. Taking time away from work allows for the opportunity to relax, recharge, and refocus. Each individual is different in how he or she may want to use vacation time, but it's important to strive for a healthy lifestyle which includes good health and personal welfare.

Newly hired employees begin accruing vacation time immediately. As of **December 23, 2018**, employees will now be able to use vacation time after only 90 calendar days of service. The current policy for new hires is to wait six months before being able to use vacation time.

Beginning December 23, 2018, new maximum vacation accruals will be established at one times (1X) the annual accrual (currently, the maximum is two times (2X) the annual accrual). Setting the maximum vacation accrual at 1X the annual accrual is consistent with many peer universities. This policy revision affects all staff employees.

The rate at which vacation accrues is based on years of service with Loyola, as well as employee group, as shown to the right. At any point during the year when the maximum vacation accrual is reached, the vacation accrual will stop until vacation time is used. Vacation time also will not be earned during an unpaid leave period or during time periods when short-term disability benefits are received.

As with our current vacation/personal time program, time should be scheduled in advance with supervisor's approval, following departmental procedures. Also, as with our current vacation policy, any vacation accrual remaining is paid at termination of employment with Loyola.

Check vacation accrual balances using the **Employee Self-Service (ESS)** and **KRONOS Timecard** applications and keep a record of these balances for future reference.

How does vacation accrue?

Paid vacation time for staff employees is currently accrued bi-weekly according to the following schedule:

Employee Group	Years of Service (newly hired employees must wait 6 months to use)			
	1 year	5 years	10 years	20 years
Administrative Directors and above*	4 weeks	4 weeks	4 weeks	5 weeks
Exempt Staff	3 weeks	3 weeks	4 weeks	5 weeks
Non-exempt Staff	2 weeks	3 weeks	4 weeks	5 weeks

Beginning **December 23, 2018**, vacation time for benefit-eligible staff will accrue bi-weekly according to the following schedule. The amount of time listed is the maximum amount that will be allowed to carry over in vacation accrual, and at which point additional vacation accrual stops if the limit is reached. Based on the new accrual schedule, non-exempt staff with less than five (5) years of service will now receive three (3) weeks of vacation—an increase from two (2) currently:

Employee Group	Years of Service (newly hired employees can use after 90 days)		
	Less than 10 years	10 years	20 years
Administrative Directors and above*	4 weeks	4 weeks	5 weeks
All Other Staff	3 weeks	4 weeks	5 weeks

Based on this new accrual schedule, part-time staff with less than five (5) years of service will receive an increase in vacation time beginning December 23, 2018:

FTE Status	Years of Service		
	Less than 10 years	10 years	20 years
30 hours/week or more	12 days (currently 8)	16 days	20 days
24 to < 30 hours/week	8 days (currently 6)	10 days	15 days
20 to < 24 hours/week	7 days (currently 5)	7 days (currently 5)	10 days

What Happens to Accrued Vacation Time?

Loyola's Vacation Policy is scheduled to change to 1X maximum accrual effective with the pay period beginning December 23, 2018. **No accrued vacation time above the 1X accrual will be lost. The value of accrued vacation time above this limit will be paid out.**

In anticipation of the new maximums, we are initiating communication prior to the change to allow accrued vacation time to be used before it will be brought in line with the new maximum.

Staff can request and use vacation time as usual to ensure accrued vacation as of November 10, 2018 is less than the revised maximum of 1X the annual vacation accrual.

Otherwise, if accrued vacation exceeds the 1X annual accrual as of November 10, 2018, staff will receive a lump sum payout on the November 16, 2018 paycheck.

- The payout will represent the accrued vacation time as of November 10, 2018, which is above the new maximum vacation accrual.
- The payout will also include the equivalent of five pay periods of vacation accruals, thus bringing the accrual below the maximum.
- This payout method will allow staff to continue accruing vacation during the holidays and closure periods.

What Happens to Other Time Off?

Other time off, such as personal/family friendly days, sick leave, funeral leave, jury duty leave, military service leave, and leaves of absence under FMLA, will not be affected by the new policy.

What You Need to Do

Staff are encouraged to evaluate current accrued vacation time, any planned vacation time for the duration of 2018, and estimate any potential payout of vacation time. Vacation accrual balances can be accessed using the Employee Self-Service (ESS) and KRONOS Timecard applications. Staff should keep a record of these balances for future reference.

For those employees whose vacation accruals exceed the new maximums, please consider your personal needs and evaluate how best to bring your accruals below the new maximum. Please work with your supervisor to schedule time away from work.

Please Note: Receiving a vacation payout on November 16, 2018 is an opportunity to contribute to the Defined Contribution Retirement Plan (DCRP) 403(b). **It is encouraged for staff to review/adjust their contributions to continue to maximize the 5% University match through the last pay date of 2018. The deadline to notify Transamerica of a contribution change is Friday, November 2.**

When You Will Hear More

This newsletter is intended to provide a high-level overview of the coming changes. Plan to attend one of the Information Sessions listed on page 6 to hear more detail and to get answers to specific questions about these changes. The Human Resources Vacation Policy will be updated and distributed this fall, along with the new Staff Paid Parental Leave policy. For reference, the current Paid Time-Off policies are available online at www.luc.edu/hr/paid-time-off.

We appreciate staff employees' continued efforts in providing high-quality service and fulfilling our Mission to our community. Our success has always reflected our ability to serve together while responding to a changing environment.

If you have any questions, please contact benefits@LUC.edu.

Example Scenarios

Effective December 23, 2018, staff will only be able to hold a maximum of their annual accruals at any given time. For example, this means that staff members who have three (3) weeks (15 days) of vacation time per year will stop accruing vacation once they have accrued 15 days. Vacation time would then begin again after vacation time is used, or the accrual limit increases due to years of service.

Below are some examples of how the new vacation accrual limit works. **Staff can check current vacation accrual balances using:**

- Employee Self-Service (ESS) (<https://lawson.luc.edu>) and select Bookmarks > Employee Self-Service, and
- KRONOS Timecard applications (<https://kronos.luc.edu>).

Scenario 1: I am exempt full-time 1.0 FTE staff member with 20 years of service (25 vacation days per year).

Current accrual limit: 8 weeks (2X, up to 8 weeks)

Current bank: 8 weeks

New 1X accrual limit: 5 weeks

Vacation hours earned per pay period: 7.211 hours (based on 7.5 hour workday) or 7.692 (based on 8.0 hour workday)

Hours above the new 1X limit + accrual for 5 pay periods as of November 10, 2018 to be paid out on the November 16, 2018 paycheck.

Scenario 2: I am exempt full-time 1.0 FTE staff member with 5 years of service (15 vacation days per year).

Current accrual limit: 6 weeks (2X)

Current bank: 4 weeks

New 1X accrual limit: 3 weeks

Vacation hours earned per pay period: 4.327 hours (based on 7.5 hour workday) or 4.615 (based on 8.0 hour workday)

Hours above the new 1X limit + accrual for 5 pay periods as of November 10, 2018 to be paid out on the November 16, 2018 paycheck.

Scenario 3: I am non-exempt 1.0 FTE staff member with 3 years of service (currently 10 vacation days [2 weeks]; In 2019: 15 vacation days [3 weeks]).

Current accrual limit: 4 weeks (2X)

Current bank: 3 weeks

New 1X accrual limit: 3 weeks

Current vacation hours earned per pay period: 2.884 hours (based on 7.5 hour workday) or 3.077 hours (based on 8.0 hour workday)

Future vacation hours earned per pay period: 4.327 hours (based on 7.5 hour workday) or 4.615 (based on 8.0 hour workday)

Hours above the new 1X limit + accrual for 5 pay periods as of November 10, 2018 to be paid out on the November 16, 2018 paycheck.

Scenario 4: I am part-time .60 -.79 FTE staff (24 hours a week or less than 30 hours) with less than 5 years of service (currently 6 vacation days).

Current accrual limit: 12 days (2X)

Current bank: 10 days

New 1X accrual limit: 9 days

Vacation hours earned per pay period: 1.730 hours (based on 7.5 hour workday) or 1.846 hours (based on 8.0 hour workday)

Hours above the new 1X limit + accrual for 5 pay periods as of November 10, 2018 to be paid out on the November 16, 2018 paycheck.

Information Sessions

During the month of October, we invite you to attend Information Sessions on your 2019 benefits changes. These meetings will include more details about the Paid Time-Off policy revisions, as well as all the informative details for Benefits Open Enrollment 2019. We look forward to your attendance at a session at one of the following campus locations.

Lake Shore Campus	Water Tower Campus	Health Sciences Campus
Tuesday, October 2, 2018 11:30 a.m. Damen MPR North	Thursday, October 4, 2018 11:30 a.m. Lewis Towers, Regents Hall	Thursday, October 11, 2018 12:30 p.m. Stritch School of Medicine, Room 160
Wednesday, October 17, 2018 11:30 a.m. Damen Student Center, Damen Cinema	Wednesday, October 24, 2018 11:30 a.m. Lewis Towers, Beane Hall	Tuesday, October 30, 2018 11:30 a.m. Stritch School of Medicine, Room 170

Check current vacation accrual balances using:

- Employee Self-Service (ESS) (<https://lawson.luc.edu>) and select Bookmarks > Employee Self-Service, and
- KRONOS Timecard applications (<https://kronos.luc.edu>).

It is encouraged for staff to review/adjust their contributions to continue to maximize the 5% University match to the Defined Contribution Retirement Plan (DCRP) 403(b) account. To make a deferral election of unused vacation time payout, please contact the Retirement Center administered by Transamerica at 773-508-2770 or visit luc.trsuretire.com no later than Friday, November 2, 2018 to change the percentage of pay contributed.

DISCLAIMER: The information provided in this Newsletter is designed to assist you with understanding your plans under the Loyola University Chicago employee benefits program. It is only an overview; it is not intended to be a comprehensive description of your benefit plan design(s). The summary plan descriptions and official plan documents cover these plans in more detail, and should be referred to with inquiries on what services are covered by the plan. Whenever there is a discrepancy between printed materials, the official plan documents will prevail. Loyola retains the right to make changes to or terminate its benefit plans at any time.

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