Your Guide to Vanderbilt's Medical Center Flexible Paid Time Off Benefits Program

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**FlexPTO - July 2014 Update**

**A REFRESHER ON FLEXPTO**

FlexPTO is Vanderbilt’s paid time off program for eligible employees that combines vacation, personal, holiday and sick days into one flexible bank of time.

You can use FlexPTO for planned time off, including vacations, holidays and brief illnesses. You’ll receive time based on your year of service (see a schedule on page 6).

FlexPTO includes enhanced short-term disability insurance and a parental leave program.

**UPDATES TO THE PROGRAM**

**Transition to an annual flexPTO program.** Starting in July 2014, Medical Center employees will receive their full allotment of flexPTO at the beginning of the fiscal year in July. This gives you a full year to use all of your time – take it when you need it. You’ll receive the same amount of time off each year, and you can still use it in the ways that suit you best.

**Rollover of accrued flexPTO time.** Unused flexPTO time will no longer carry over from year to year for Medical Center employees. You must use it during the fiscal year, or you will lose it. See page 3 for information on your options for current accrued flexPTO banks.

**Grandfathered Sick time.** This program update does not impact your grandfathered sick time. Your sick time bank will remain in whole and you can continue to use this time to cover your own or your family members’ illnesses or injuries.

**Leaving or retiring from Vanderbilt.** Unused flexPTO time will not be paid out when you leave or retire from the Medical Center.

**TOOLS AND RESOURCES**

- Allotment Chart - for full-time employees
- Allotment Calculator - for employees working less than 40 hours a week
- FAQs - answers to common questions we receive.
- Enhanced short-term disability webpage
- Parental leave webpage

* flexPTO eligibility. Benefits-eligible employees (non-union). It does not apply to faculty, house staff and post-doctoral fellows. Faculty, house staff and post-docs should refer to their manuals and programs for guidance on disability and leave time. Those with house staff benefits are eligible for short-term disability.
How flexPTO Works

ALLOTMENT
• You will receive your full allotment of flexPTO at the beginning of the fiscal year, on July 1.
• New employees hired after July 1, or employees who transfer to VUMC from University Central, will receive a prorated flexPTO allotment on the first day of the quarter following their hire. For example, a new full-time employee hired into an exempt position between July 2 and October 1 would receive 21 days of flexPTO on October 1.
• Part-time employees’ flexPTO allotment will be prorated based on the standard number of hours they are scheduled to work.
• See page 6 for an allotment schedule.
• Unused flexPTO time will not carry over from year to year. You must use it during the fiscal year (July 1-June 30), or you will lose it.
• Unused flexPTO time will not be paid out when you leave or retire from Vanderbilt.

GRANDFATHERED SICK DAYS
• When flexPTO began in January 2014, employees’ current sick days were grandfathered. This grandfathered sick time will remain wholly intact. You can use these days if you have a brief illness or need to care of a sick family member.

HOLIDAYS
• If you do not work on a holiday, you should record it as time off using flexPTO.

SCHEDULING TIME OFF
• Employees should follow their department procedures when requesting time off. Approval to adjust the normal workday schedule must meet the needs of the institution and be approved in advance by your supervisor.
• See the Medical Center flexPTO policy for details.

flexPTO: THINK OF IT IN TERMS OF ABSENCES

<table>
<thead>
<tr>
<th>type of absence</th>
<th>what to use</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>short absences</strong></td>
<td>flexPTO</td>
</tr>
<tr>
<td>• planned time off</td>
<td></td>
</tr>
<tr>
<td>• Vanderbilt holidays</td>
<td></td>
</tr>
<tr>
<td>• illness lasting a few days</td>
<td></td>
</tr>
<tr>
<td>• caring for a sick family member</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>extended absences</th>
<th>short-term disability</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Approved disability lasting several weeks or months</td>
<td></td>
</tr>
<tr>
<td>• Birth</td>
<td>parental leave and short-term disability</td>
</tr>
<tr>
<td>• Adoption</td>
<td>parental leave</td>
</tr>
</tbody>
</table>

CURRENT ACCRUED FLEXPTO BANKS
In 2014 only, employees who will not use all of their accrued flexPTO time by June 30 will have three options:

1. You may cash out your accrued flexPTO time bank at the end of fiscal year 2014 at 50 percent of your current pay rate. For cash out purposes, the end of the fiscal year will be June 28 for non-exempt employees or June 30 for exempt employees.

2. You may carry the time over to use during fiscal year 2015 (July 1, 2014-June 30, 2015). FlexPTO time used in fiscal year 2015 will be deducted from your FY14 carryover bank first, and any time remaining from the FY14 carryover bank at the end of June 2015 can be cashed out at 50 percent of your current pay rate. Your 2015 annual allotment of flexPTO cannot be carried over or cashed out.

3. You may choose to cash out a portion of your flexPTO time, and carry over the rest.

These options and cash out offer do not apply to residents, union or post-doctoral employees.
Enhanced Short-Term Disability Insurance

Short-term disability insurance replaces a portion of your salary if you are unable to work for an extended period due to an approved medical condition.


Vanderbilt pays for your base coverage after one year of service. This covers up to $24,000/year of your salary with only a two-week waiting period.

Similar to long-term disability insurance, you can cover more of your salary (up to 66.7%), called “buy-up,” at a better rate. Costs for buy-up depend on your annual salary (see chart below).

With combined basic and buy-up coverage, your benefit would pay nearly your full take-home salary in the event of a covered medical condition, once you have fulfilled the two week waiting period (time before benefit payments begin).

FlexPTO time or your grandfathered sick time can cover the waiting period as well as time after your benefit ends.

Short-term disability also acts as a safety net that will replenish as soon as you return to work. In the event of another approved disability, you will be covered.

By default, new employees are enrolled automatically in the base and buy-up coverage, but can opt out of buy-up. If you opt out of the buy-up coverage, you can enroll in the buy-up program at any time, but you will need to submit health information and coverage may be denied. You can also opt out of the buy-up coverage at any time.

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**SAMPLE TIMELINE FOR EXTENDED ILLNESS/INJURY**

<table>
<thead>
<tr>
<th>Employee reports illness/ injury</th>
<th>2 Weeks flexPTO or Legacy Sick</th>
<th>Weeks 3+ Short-Term Disability</th>
<th>Employee Returns to work</th>
</tr>
</thead>
</table>

**FAMILY MEDICAL LEAVE ACT (FMLA) TIME**

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**SAMPLE TIMELINE FOR PARENTAL LEAVE**

<table>
<thead>
<tr>
<th>Mother Leaves for the birth of a child</th>
<th>2 Weeks Paid Parental Leave</th>
<th>6 Weeks Short-Term Disability</th>
<th>Mother Returns to work or uses flexPTO</th>
</tr>
</thead>
</table>

**FAMILY MEDICAL LEAVE ACT (FMLA) TIME**

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**SAMPLE SHORT-TERM DISABILITY COSTS**

<table>
<thead>
<tr>
<th>flexPTO - first $24,000 of salary paid by Vanderbilt*</th>
<th>“Buy-up” plan monthly cost</th>
<th>Benefit per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>annual income: $45,000</td>
<td>$13.04 save 65%</td>
<td>$30,015 66.7% of salary (buy-up portion is tax free)</td>
</tr>
<tr>
<td>$60,000</td>
<td>$22.35 save 55%</td>
<td>$40,020</td>
</tr>
<tr>
<td>$100,000</td>
<td>$47.18 save 43%</td>
<td>$66,700</td>
</tr>
</tbody>
</table>

*after one year of service
FAQs

See more FAQs on the flexPTO website.

1. Who is eligible for flexPTO?
Benefits-eligible employees (non-union). FlexPTO does not apply to faculty, house staff and post-doctoral fellows.

2. Why is Vanderbilt using flexPTO?
Flexible paid time off programs meet the needs of today's diverse workforce, offering choice and flexibility at every life phase. This more modern benefits approach allows you to use your time off to fit your lifestyle.

3. How much time off will I have with flexPTO?
Time off will vary according to the number of years you have worked at Vanderbilt (see page 6 for details).

4. What if I'm a part-time employee? How will flexPTO affect me?
If you are scheduled to work less than 40 hours per week, you can calculate your time off using the allotment calculator on the Medical Center’s flexPTO web page.

5. Which bank of time should I use if a family member is ill?
You may use flexPTO or grandfathered sick time.

6. Does my flexPTO time roll over or get paid out at the end of each year?
Unused flexPTO time will not carry over from year to year, nor will it be paid out paid out when you leave or retire from Vanderbilt. In 2014 only, employees who will not use all of their accrued flexPTO time by June 30 will have three options:
   1. You may cash out your accrued flexPTO time bank at the end of fiscal year 2014 at 50 percent of your current pay rate. For cash out purposes, the end of the fiscal year will be June 28 for non-exempt employees or June 30 for exempt employees.
   2. You may carry the time over to use during fiscal year 2015 (July 1, 2014-June 30, 2015). FlexPTO time used in fiscal year 2015 will be deducted from your FY14 carryover bank first, and any time remaining from the FY14 carryover bank at the end of June 2015 can be cashed out at 50 percent of your current pay rate. Your 2015 annual allotment of flexPTO cannot be carried over or cashed out.
   3. You may choose to cash out a portion of your flexPTO time, and carry over the rest.

7. How will I record my time off?
You will record your flexPTO using Kronos.

8. Do I have to use my flexPTO in full day increments? Or can I take a half day of flexPTO?
Exempt employees (monthly paid) record time off only in full days. Non-exempt (bi-weekly paid) employees record it in hours.

9. Do I still have to use flexPTO time if I don’t work on a holiday?
Yes, in order to be paid for Vanderbilt-recognized holidays when you do not work, you must record it as flexPTO time.

10. What about bereavement and jury duty?
Bereavement and jury duty are separate from flexPTO. See the Administrative Leave policy for more information.

11. What if I have an emergency that uses up all my flexPTO early in the year and have no time left to cover holidays like Memorial Day?
In special circumstances, work with your manager and the Employee Service Center to find the best solution if your time off needs exceed your annual flexPTO allotment. In some cases, and at leaders’ discretion, employees may be permitted to have a negative flexPTO balance that would be “repaid” with the next year’s flexPTO allotment. This also applies if you need time to cover the waiting period before short-term disability takes effect.

12. Will employees hired into VUMC positions during the course of the year get the same amount of time?
No. Employees must be active or on a leave of absence on July 1 to get the full annual allotment of time for their position type and years with Vanderbilt. Newly-hired employees or those who transfer into medical center roles during the course of the year will receive a prorated allotment based on their start dates. See page 6 for details.

13. Where can I learn more about enhanced short-term disability?
See the Enhanced Short-Term Disability website.

14. Where can I learn more about paid parental leave?
See the Parental Leave web page.
# Allotment Schedule

## Full flexPTO Allotment

<table>
<thead>
<tr>
<th>year</th>
<th>non-exempt employees</th>
<th>exempt employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (date of hire to first anniversary)</td>
<td>192 hours</td>
<td>29 days</td>
</tr>
<tr>
<td>2</td>
<td>200 hours</td>
<td>29 days</td>
</tr>
<tr>
<td>3</td>
<td>208 hours</td>
<td>29 days</td>
</tr>
<tr>
<td>4</td>
<td>216 hours</td>
<td>29 days</td>
</tr>
<tr>
<td>5</td>
<td>224 hours</td>
<td>29 days</td>
</tr>
<tr>
<td>6</td>
<td>232 hours</td>
<td>34 days</td>
</tr>
<tr>
<td>7</td>
<td>240 hours</td>
<td>34 days</td>
</tr>
<tr>
<td>8</td>
<td>248 hours</td>
<td>34 days</td>
</tr>
<tr>
<td>9</td>
<td>256 hours</td>
<td>34 days</td>
</tr>
<tr>
<td>10</td>
<td>264 hours</td>
<td>34 days</td>
</tr>
<tr>
<td>more than 10</td>
<td>272 hours</td>
<td>34 days</td>
</tr>
</tbody>
</table>

## Prorating flexPTO Allotment based on Standard Hours

An employee’s allotment will be based upon the following schedule:

<table>
<thead>
<tr>
<th>Standard Hours</th>
<th>Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 or more</td>
<td>100%</td>
</tr>
<tr>
<td>20 to 29</td>
<td>75%</td>
</tr>
<tr>
<td>10 to 19</td>
<td>50%</td>
</tr>
<tr>
<td>Less than 10</td>
<td>25%</td>
</tr>
</tbody>
</table>

## Prorate Schedule for New or Transfer Employees

<table>
<thead>
<tr>
<th>hire/start date</th>
<th>July 2–October 1</th>
<th>October 2–January 1</th>
<th>January 2–April 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>allotment available</td>
<td>October 1</td>
<td>January 1</td>
<td>April 1</td>
</tr>
<tr>
<td>Exempt: 1-5 years</td>
<td>21 days</td>
<td>14 days</td>
<td>7 days</td>
</tr>
<tr>
<td>Exempt: more than 5 years</td>
<td>25 days</td>
<td>17 days</td>
<td>8 days</td>
</tr>
<tr>
<td>Non-Exempt: 1 year</td>
<td>144 hours</td>
<td>96 hours</td>
<td>48 hours</td>
</tr>
<tr>
<td>Non-Exempt: 2 years</td>
<td>150 hours</td>
<td>100 hours</td>
<td>50 hours</td>
</tr>
<tr>
<td>Non-Exempt: 3 years</td>
<td>156 hours</td>
<td>104 hours</td>
<td>52 hours</td>
</tr>
<tr>
<td>Non-Exempt: 4 years</td>
<td>162 hours</td>
<td>108 hours</td>
<td>54 hours</td>
</tr>
<tr>
<td>Non-Exempt: 5 years</td>
<td>168 hours</td>
<td>112 hours</td>
<td>56 hours</td>
</tr>
<tr>
<td>Non-Exempt: 6 years</td>
<td>174 hours</td>
<td>116 hours</td>
<td>58 hours</td>
</tr>
<tr>
<td>Non-Exempt: 7 years</td>
<td>180 hours</td>
<td>120 hours</td>
<td>60 hours</td>
</tr>
<tr>
<td>Non-Exempt: 8 years</td>
<td>186 hours</td>
<td>124 hours</td>
<td>62 hours</td>
</tr>
<tr>
<td>Non-Exempt: 9 years</td>
<td>192 hours</td>
<td>128 hours</td>
<td>64 hours</td>
</tr>
<tr>
<td>Non-Exempt: 10 years</td>
<td>198 hours</td>
<td>132 hours</td>
<td>66 hours</td>
</tr>
<tr>
<td>Non-Exempt: more than 10 years</td>
<td>204 hours</td>
<td>136 hours</td>
<td>68 hours</td>
</tr>
</tbody>
</table>
flexPTO Scenarios

Your time, the way you need it – flexPTO means you can use your time off the ways that suit you best.

What if I work for vacations?
I am rarely sick, so I have more time to relax!
✓ I’ll have extra time to spend with family and friends.
✓ If I get sick, my grandfathered sick bank is a great back-up plan.

What if I am sick frequently?
✓ All my time can go toward any need I have.
✓ Enhanced short-term disability can protect my pay if my condition continues.

What if I want a safety net?
I worry about the what-ifs.
✓ Short-term and long-term disability will protect my income if I get sick or disabled.
✓ My sick time is grandfathered.

What if I am a caregiver?
I need time to care for my family.
✓ With flexPTO I can use my time to help those who need me.
✓ When my life situation changes, I’ll use my time off differently.
Need Help? Have Questions?

Your HR colleagues at the Employee Service Center are here to help.

Call 615.343.7000  8:00 a.m. – 5:00 p.m., Monday – Friday

Email human.resources@vanderbilt.edu

Chat online with a representative  8:00 a.m. – 5:00 p.m., Monday – Friday

Walk-in: HR Express (4 locations)

1. 2525 West End Ave., 2nd Floor — Monday – Friday, 7:30 a.m. – 5:30 p.m.
2. Vanderbilt Health One Hundred Oaks, 719 Thompson Lane, Administration Hall, Suite 26101
   First and third Friday of the month, from 8:00 a.m. – 5:00 p.m. (closed 2:00 – 3:00 p.m.)
3. Medical Center North, D-2101 (HR window) — Monday – Friday, 8:00 am – 4:30 pm
4. Children's Hospital, Room 2102 (HR window) — Tuesday – Thursday, 7:30 am – 4:00 pm