

## Paid Time Off Administrative House Wide Policy and Procedure

Applicable Campus	Department Name	Approval Authority
Salem Health and West Valley Hospital	Human Resources – Compensation and Benefits	System Director, Human Resources Operations
<b>Effective Date: March 2024</b>		<b>Next Review Date: February 2027</b>
List Stakeholders Position or Committee	Document Status	Date of Approval
Director Compensation Benefits	Revised	03/2024
Manager HR Compliance and Infrastructure	Revised	03/2024
Chief Human Resources Officer	Reviewed	03/2024
System Director, Human Resources Operations	Reviewed	03/2024
<b>Final Approval Date SH &amp; WVH</b>	<b>Final Review</b>	<b>03/2024</b>

**Describe briefly the most recent revision made to this policy, procedure, or protocol and why:**

Updated policy to include use of paid time off when called off due to weather conditions.

### Policy Content

The purpose of this policy & procedure is to define the Salem Health Hospitals and Clinics provision of paid time off to eligible employees for rest, relaxation and missed work due to short-term absence and illness.

It is the policy of Salem Health to provide eligible employees with paid time off hours in the form of PTO, Oregon Paid Sick Leave and Oregon Paid Family Medical Leave.

**Total Salem Health paid time off hours by length of service:**

Continuous Employment (based on seniority date)	PTO Annual Accrual Regular FT	Total Annual Hours Regular FT
Start date through year 4, (0 – 48 months)	88 hours	208*
Years 5 through 9, (49 - 108 months)	128 hours	248*
Years 10 through 14, (109-168 months)	168 hours	288*
Years 15 and beyond, (169 months and beyond)	208 hours	328*

\*Includes: 40 hours Oregon Paid Sick Leave, 8 hours Birthday, 16 hours Service Accrual, and 56 hours Holiday

### Steps/Key Points Procedure

**Oregon Paid Sick Leave:**

**Key definitions:**

- All employees will accrue 0.033334 hours of Oregon Paid Sick Leave per hour worked.
- The maximum amount of Oregon Paid Sick Leave accrual per year is 40.
- Unused Oregon Paid Sick Leave hours at the end of the 52-week year will roll over to the next year.
- The maximum Oregon Paid Sick Leave hours an employee can have at any time is 80. In the event an employee is at the maximum balance but has not yet accrued 40 hours for the calendar year, they will forfeit the accrual they would have otherwise been eligible to receive that pay period, resulting in an accrual of less than 40 hours for that calendar year.

**Oregon Paid Sick Leave Use:** If an employee misses time for an Oregon Paid Sick Leave reason they must use Oregon Paid Sick Leave hours to cover the time away to bring them up to their weekly FTE hours. If the employee meets their FTE hours for the week, then it is optional to cover the time missed with Oregon Paid Sick Leave hours. In any case, time missed not covered by Oregon Paid Sick Leave hours or other protected reasons may fall under the attendance policy.

Per ORS 653.601-

653.661([https://www.oregonlegislature.gov/bills\\_laws/ors/ors653.html#:~:text=653.601%20Definitions%20for%20ORS%20653.601%20to%20653.661.](https://www.oregonlegislature.gov/bills_laws/ors/ors653.html#:~:text=653.601%20Definitions%20for%20ORS%20653.601%20to%20653.661.)) and OAR 839-007

(<https://secure.sos.state.or.us/oard/displayDivisionRules.action?selectedDivision=3832>), Oregon gives all workers sick time for the reasons provided by the Oregon Bureau of Labor & Industries:

<https://www.oregon.gov/boli/workers/pages/sick-time.aspx>

**Oregon Paid Sick Leave restrictions:**

- Regularly scheduled full and part-time employees may also use Oregon Paid Sick Leave hours to cover other approved time off, including scheduled vacation days, furlough days, and time missed because of being called off a regularly scheduled shift.
- The maximum amount of Oregon Paid Sick Leave hours an employee can use in a year is 80.
- Whenever possible, employees will give at least a 10-day notice of their need to miss time from work for Oregon Paid Sick Leave reasons.
- Whenever possible, employees will schedule time away so that it does not disrupt the workflow of their department (i.e., schedule appointments during non-peak business hours).
- Oregon Paid Sick Leave hours cannot be donated to another employee.
- Oregon Paid Sick Leave hours cannot be cashed out during employment.
- Upon termination of employment of a regularly scheduled employee, any remaining balance of Oregon Paid Sick Leave hours will be paid out on the employee's final paycheck, provided they have completed the required 90 day wait period. For unscheduled employees, any balance not paid out will be re-instated in the event the employee is rehired within 6 months of their separation date.
- Accrued Oregon Paid Sick Leave hours become available for employees to use the first day of the pay period in which they complete 90 days of continuous employment in an eligible position.
- If a regularly scheduled employee transitions to a non-regularly scheduled status, they will retain their Oregon Paid Sick Leave balance but forfeit their eligibility for their hours to be paid out at termination.
- Employees cannot use Oregon Paid Sick Leave hours to cover periods of time missed that will be paid by Oregon Paid Family Medical Leave, short- or long-term disability, or worker's compensation pay.

**PTO/Vacation Time:**

PTO hours accrue each pay period beginning with the first pay period of employment, during all active employment, according to the schedule in the chart below. If an employee experiences a status change during the pay period, including separation of employment, the eligibility for and level of PTO accrual will be based on the status the employee was in on the last day of the pay period. Therefore, employees do not accrue PTO on the hours that occur during the pay period in which their employment ends.

If an employee changes from a PTO eligible status to a non-PTO eligible status (except for a change to extended leave), any available PTO balance will be paid out on the bi-weekly paycheck that is for the corresponding dates that include the date of the status change (or on the final paycheck if the status change is due to employment ending), provided the employee has completed 90 days of continuous employment in a regular full-time or regular part-time position; if the employee has not fulfilled this requirement, the accrued PTO hours are deleted from the accrual bank and are not paid out. When PTO payout is triggered by a transition to a non-PTO eligible status other than termination, that PTO payout will not be eligible for 401(k) employee or employer contributions. For more information, review the 401(k) Summary Plan Description.

<b>Continuous Employment (based on seniority date)</b>	<b>Reg. FT PTO Accrued Per Pay Period*</b>	<b>Reg. PT PTO Accrued Per Accrual Generating Hour Paid**</b>	<b>Regular FT Annual PTO Accrual</b>	<b>Maximum Balance for PTO - FT/PT***</b>
Start date through year 4, (0 – 48 months)	3.3840 hours	0.0423 hours	88 hours	264 hours
Years 5 through 9, (49 - 108 months)	4.9200 hours	0.0615 hours	128 hours	344 hours
Years 10 through 14, (109-168 months)	6.4640 hours	0.0808 hours	168 hours	424 hours
Years 15 and beyond, (169 months and beyond)	8.0 hours	0.1000 hours	208 hours	504 hours

\*Regular full-time (FT) employees will accrue PTO at the Reg. FT PTO accrual rate unless they have less than 70 PTO accrual generating hours during the pay period, in which case the PTO accrual will be pro-rated using the Reg. PT PTO accrual rate.

\*\*Regular part-time (PT) employees accrue PTO benefits based on the number of accruals generating hours they are paid each pay period.

\*\*\*Employees are expected to manage their paid time hours if they wish to accrue all eligible time. If an employee is at their maximum balance, they will not receive accruals for that pay period and these hours will be forfeited.

#### **PTO restrictions:**

- The maximum number of PTO accrual generating hours allowed per pay period is 80.
- Employees classified at the manager level or above (based on the position held on the last day of the pay period) accrue PTO at one level above staff employees. For example, a new full-time manager would begin accruing PTO at the rate of 4.9200 hours per pay period.
- Accrued PTO becomes available for employees to use the first day of the pay period in which they complete 90 days of continuous employment in a regular full-time or part-time position.

#### **Additional Annual Accruals:**

<b>Continuous Employment (based on seniority date)</b>	<b>Birthday Accrual</b>	<b>Service Accrual</b>	<b>Organizational Paid Holidays*</b>
Start date through year 4, (0 – 48 months)	8 hours	16 hours	56 hours
Years 5 through 9, (49 - 108 months)	8 hours	16 hours	56 hours
Years 10 through 14, (109-168 months)	8 hours	16 hours	56 hours
Years 15 and beyond, (169 months and beyond)	8 hours	16 hours	56 hours

\*Holiday benefit hours are added to the employee timecard and added to the corresponding paycheck for that pay period. They are not added to the employee PTO Bank.

#### **Service PTO Accrual:**

In recognition of a regularly scheduled full or part-time employee's seniority date, 16 hours of PTO, (prorated for part-time employees based on FTE status on the last day of the pay period prior to the seniority date), are added to the employee's PTO balance. Service accrual is generated during the payroll processing of the pay period prior to the seniority date so that the accrued hours are available for use during the pay period in which the seniority date occurs.

#### **Birthday PTO Accrual**

In recognition of a regularly scheduled full or part-time employee's birthday, 8 hours of PTO (prorated for part-time employees, based on FTE status on the last day of the pay period prior to the birth date), is added to the employee's PTO balance. Birthday accrual is generated during the payroll processing of the pay period prior to the birth date so that the accrued hours are available for use during the pay period in which the birthday occurs.

## **Holidays**

See Holiday Policy (<https://salemhealth-b5394cd1a5f1a2.sharepoint.com/sites/Policy/PolicyPortal/Lists/Approved Documents/Holidays.pdf>) for additional details.

## **Paid Time Off Use:**

Employees are required to submit PTO/Oregon Paid Sick Leave to cover time away, outside of a protected state or federal leave program prohibiting the requirement that paid time be submitted, to meet their weekly FTE hours. If the employee meets their FTE hours for the week, then it is optional to cover the time missed with PTO/Oregon Paid Sick Leave hours.

In the below situations, employees have the option of using benefit hours (PTO or Oregon Paid Sick Leave) to cover the time or having it be unpaid:

- When called off or placed on stand-by.
- Furlough day recognized by the employee's department (refer to Furlough Days Policy ([https://teams.microsoft.com/l/message/19:73fc158d-9311-4d69-89bf-d008f3c01b96\\_e82af379-80da-49c2-9b6a-085abf51dc85@unq.gbl.spaces/1693337105251?context=%7B%22contextType%22%3A%22chat%22%7D%7D](https://teams.microsoft.com/l/message/19:73fc158d-9311-4d69-89bf-d008f3c01b96_e82af379-80da-49c2-9b6a-085abf51dc85@unq.gbl.spaces/1693337105251?context=%7B%22contextType%22%3A%22chat%22%7D%7D))).
- When time away results from a holiday falling on a regularly scheduled day and the employee does not work, but the holiday benefit is less than the number of hours normally scheduled to work (refer to Holidays Policy).
- When a day off without pay is requested by the employee due to the employee having worked on a paid holiday or the paid holiday falling on a regular day off for the employee (refer to Holidays Policy).
- Time loss resulting from expressing breast milk.
- Veterans honorably discharged after serving a minimum of 6 months on active duty in the Armed Forces or who served a minimum of 6 months active duty in a reserve or National Guard who are otherwise scheduled to work on Veteran's Day and takes the day off (documents establishing eligible veteran status and 21 days advance notice of request for time off may be required).
- Instances when an employee is told not to report to work due to closure related to weather conditions, but does not include instances where an employee calls off work due to weather conditions.
- Any time loss not identified in this policy that is covered under state, federal or other applicable law prohibiting the requirement that paid time off be submitted.

Employees who are receiving Oregon Paid Family Medical Leave wages, and in some cases short- or long-term disability, can submit accrued EIB\*/Oregon Paid Sick Leave/PTO to reach their regular FTE if the wages received do not cover 100% of their weekly earnings. For more information on Oregon Paid Family Medical Leave, please reference the Leave of Absence Policy (<https://salemhealth-b5394cd1a5f1a2.sharepoint.com/sites/Policy/PolicyPortal/Lists/Approved Documents/Leave of Absence.pdf>).

For federal and state leaves of absence, and approved personal medical leaves of absence, where employees either choose to, or are required to submit company provided paid time, the employee must submit any EIB first, followed by available Oregon Paid Sick Leave, and lastly PTO.

**\*Extended Illness Bank (EIB):** Current, regularly scheduled full and part-time employees who were employed with Salem Health prior to January 1, 2006 may have EIB. EIB balances cannot be cashed out at any time, including at the time of separation from employment.

## **Scheduling and Submitting PTO Hours:**

### **Scheduling**

- Time away from work is to be taken on a basis which is mutually convenient to the employee and Salem Health.
- Each department shall establish procedures for assuring that vacations are scheduled with appropriate lead time, so that department work is minimally impacted. For unexpected time off, the employee is expected to give as much advance notice as is possible.
- In the event of conflict over requested time off, and in the absence of an established, department specific method to resolve the conflict, preference will be given to the employee with longer continuous service. A part-time employee with longer years of service has preference over a full-time employee with less years of service. See the Service Awards and Years of Service Policy ([https://teams.microsoft.com/l/message/19:73fc158d-9311-4d69-89bf-d008f3c01b96\\_e82af379-80da-49c2-9b6a-085abf51dc85@unq.gbl.spaces/1693337926498?context=%7B%22contextType%22%3A%22chat%22%7D%7D](https://teams.microsoft.com/l/message/19:73fc158d-9311-4d69-89bf-d008f3c01b96_e82af379-80da-49c2-9b6a-085abf51dc85@unq.gbl.spaces/1693337926498?context=%7B%22contextType%22%3A%22chat%22%7D%7D)).

## Submitting

- Exempt employees are paid for the whole job and not by the hour; therefore, exempt employees shall only submit PTO (or Oregon paid sick leave or time off unpaid) when a full work shift is missed.
- It is the responsibility of the employee to submit paid time off hours each pay period as outlined in the Time and Attendance Policy (<https://salemhealth-b5394cd1a5f1a2.sharepoint.com/sites/Policy/PolicyPortal/Lists/Approved Documents/Time and Attendance.pdf>).
- In the event that an employee does not have a sufficient time off balance to cover all time away, if approved by the manager, available time off hours will be applied in the order in which the time away occurred.
  - For example, if an employee missed two hours on Monday and 3 hours on Friday of the same work week, available PTO would first be applied for the time away on Monday, with any remaining balance applied to Friday.
  - Time off without pay is to be used infrequently, for short durations of time, and for special circumstances.
- Time off hours are to be entered with a start time equal to when the time away occurred.
  - For example, if an employee's normal schedule is to work from 0700 to 1930, 12 paid hours, but misses the shift and does not pick up any extra hours during that work week, that employee's time off hours would need to be submitted with a start time of 0700 for 12 hours. In this example, under no circumstances should an employee submit time off hours for time between 1900 and 0700, resulting in night shift differential being generated with the time off hours, unless the time away occurred during these hours.
- If an employee does not successfully submit time off hours for time away, please review the Time and Attendance Policy regarding next steps.
- Retro-active adjustments will not be made to change time away from one pay type to another. Documentation supporting the need to miss time for Oregon Paid Sick Leave reasons may be required, to the extent allowed by law.

## **PTO Cash Out:**

Although Salem Health encourages employees to take time away from work to have a more balanced lifestyle, PTO can be cashed out as outlined below:

### **PTO Cash Out - Time Card Entry:**

At any time during a pay period, full-time employees with a PTO balance exceeding 40 hours (20 hours for part-time employees) may elect to submit PTO cash out hours on their timecard which will be paid on the bi-weekly paycheck for the pay period in which the PTO cash out was submitted.

- Employees may cash out any number of PTO hours they choose, provided they retain a balance of 40 hours (20 for part-time employees).
- PTO cash out hours paid under this method will be issued at a rate equal to 80% of the employee's base rate which is the rate of pay in effect for the date the employee uses to submit the request on the timecard.
- It is the responsibility of the employee to submit their PTO cash out hours as outlined in the Time and Attendance policy and to check the timecard after the entry to ensure the hours were properly submitted. Manual checks will not be issued for PTO cash out entries that were not submitted on the timecard or were incorrectly submitted.

### **Definitions – Insert N/A if not applicable**

- **Accrual generating hours:** Hours paid that result in the accrual of PTO time for that pay period. This includes time worked, holiday pay, PTO (excluding cash out), jury duty and bereavement.
- **Called Off:** When an employee is instructed by management to not arrive for a scheduled shift or instructed to work a shorter period than originally scheduled or expected, as the result of business need (typically driven by low census, temporary lack of work, or fiscal issues). In some cases, the employee may be required to remain on standby for a designated period (refer to the standby and call pay policy)
- **Oregon Paid Sick Leave:** A bank of hours specifically designated to be used for time away from work for an employee's absence covered under the Oregon Paid Sick Leave law and/or other reasons defined in this policy. Oregon Paid Sick Leave Year: A 52-week period that starts with the first day of the first pay period that will be paid in the new calendar year.
- **Paid Time Off (PTO):** A benefit intended to provide employees with time away from work to meet personal needs which may include scheduled vacation time, appointments, and short-term illness for self or family member, leave of absence, etc.
- **PTO Cash Out:** PTO that is paid out in cash without time missed in that pay period that the hours are being used to cover.

- **Seniority date:** The date that reflects the amount of time an employee has been in a regularly scheduled full-time or regularly scheduled part-time position (does not include time spent in an unscheduled, temporary, or extended leave of absence status).
- **Time Away:** Any time an employee was scheduled to work and did not.
- **Time off hours:** Refers to PTO and/or Oregon Paid Sick Leave hours.
- **Weekly FTE hours:** The established hours an employee is typically scheduled to work in a work week, determined by the employee's FTE in Lawson. 1.0 FTE = 40 weekly FTE hours. All other weekly hours are pro-rated based on FTE (i.e., FTE = .5 in Lawson = 20 weekly FTE hours. This may be a rotating schedule within the same pay period, such as 30 hours week 1- and 10-hours week 2 to equal the total pay period FTE.

Equipment or Supplies - Insert N/A if not applicable
N/A
Form Name and Number or Attachment Name - Insert N/A if not applicable
N/A
Expert Consultants Position
HR Business Partners,
References (Required for clinical Documents and within the last five years):
N/A
Related CBT's, Policy, Procedure or Epic Protocol Cross Reference Information – Insert N/A if not applicable
N/A
Computer Search Words
PTO, birthday holiday, time off, EIB
Is there a Regulatory Requirement? No
Oregon Paid Sick Leave, Oregon Paid Family Medical Leave

Review and Revision History		
History	Review or Revision	Date
Updated policy to include use of paid time off when called off due to weather conditions.	Revised	03/2024
Updated company provided Paid Time Off usage following the addition of the State of Oregon's Paid Family Medical Leave program.	Revision	09/2023
Clarified EIB use section.	Revision	08/2023
Updated to remove pre-designated PTO cash out option. Added language clarifying 401(k) contribution eligibility to non-PTO eligible status changes. Standardized use of PTO cash out vs. PTO payout terminology.	Revision	04/2022
Updated to reflect changes to pre-designated PTO cash-out option.	Revised	08/2020
Reviewed and cleaned up	Review	02/2020
Changed annual maximum Oregon Paid Sick Leave usage to 80 hours from 40.	Reviewed	12/2016
	Reviewed	06/2016
	Reviewed	12/2013, 04/2014 12/2015
	Revision	07/2005, 07/2009 01/2010
New Policy	Review	05/2005