



Earned Time Off

Policy Title: Earned Time Off (ETO) Policy

Policy Number: HRO-107

Policy Owner: Office of the Chief Financial Officer

Responsible Office: Human Resources

Revision Date: 07/01/2018

1. Purpose and scope: The Earned Time Off Policy provides regular, full-time staff members with earned days away from work with paid-time off. Earned Time Off (ETO) days may be used for any reason including, vacation, personal time, illness, religious holidays or time off to care for dependents.

2. Policy

- 1) The use of earned time off must be scheduled in advance with supervisors, who approve requests according to departmental workload and available staffing levels.
- 2) If an employee takes ETO without prior approval for medical or emergency reasons, the university reserves the right to require medical or other documentation of the reasons given for the unapproved ETO.
- 3) In the event of sudden illness or emergency when there is no opportunity for advance scheduling, the employee's supervisor should be notified as soon as possible and preferably before the normal time that the employee would begin work.
- 4) The ETO Policy does not cover scheduled university holidays, floating holidays, time off for jury duty or bereavement leave. Questions about ETO earned and used should be referred to your supervisor.

3. Definitions

Supervisors are responsible for approving and monitoring the appropriate use of earned time off. Human Resources is responsible for keeping records of time used, and periodically reviewing the administration of this benefit.

A. Exempt benefits

- 1) Eligible employees take ETO in hour increments as it is tracked in HR's Great Plains(GP) portal.



- 2) The employee should submit the ETO request to the supervisor for review and approval. HR will record the employee’s cumulative record of earned time off accumulation, use, adjustments, and available balance.

B. Non-exempt benefits

- 1) Eligible employees take ETO in hour or half-hour increments and HR will track time off through the GP time off portal.
- 2) the supervisor reviews and approves earned time off used as part of reviewing the overall timesheet.
- 3) HR will report the employee’s cumulative record of earned time off accumulation, use, adjustments, and available balance.

C. New benefits

- 1) Eligible employees accumulate paid time off beginning with the first pay period worked. Accumulated paid time off is vested with the employee and may be used as approved by the supervisor.
- 2) Paid time off accumulated during the first six months of employment is not vested until the first six months of employment has been completed.
- 3) With supervisor approval, accumulated paid time off may be taken in the first six months of employment, but if the employee terminates during the first six months, any paid time off taken will be deducted from the final paycheck.
- 4) Once the employee reaches six months of employment, the earned-time is earned on an employment year basis and is earned on the first day of each month following your date of employment.

Earned Time Off is based on the following schedule:

<i>Chart A.1</i> Completed Years of Employment:	Total Earned Time per fiscal year:
0 to 5 years of service	160 hours; 20 days; you earn 1.66 days per month
6 to 10 years of service	200 hours; 25 days; you earn 2 days per month
10 + years of service	232 hours; 29 days; you earn 2.41 days per month



4. Procedures

A. Time Earned

- 1) During your first year of employment, ETO is earned at a rate of 1.66 days per month. Time off may only be used as it is earned, except in the case of illness.
- 2) In no instance may a supervisor permit a staff member to take more than five (5) days of **unearned** ETO.
- 3) ETO days are not earned during any leaves of absence.
- 4) If an employee is on a leave of absence the first day of the month, ETO will not accrue for that month.
- 5) An employee will resume earning and accruing ETO on the first day of the month following the employee's return to work.
- 6) If an employee returns to work on the first day of the month, the employee will resume earning ETO on that day.
- 7) In non-medical and non-emergency cases in which the supervisor has granted prior approval, or in cases of medical necessity or emergency where obtaining prior approval is not possible, employees may schedule time in one-hour increments.
- 8) Departments have discretion to prohibit the use of ETO in one-hour increments due to business necessity.
- 9) ETO may not be used to receive pay in excess of wages earned for a normal work day and ETO is not counted for purposes of calculating overtime pay.
- 10) The total amount of hours worked plus hours taken as ETO in a single day may not exceed the number of hours in an employee's normal daily work schedule.
- 11) ETO days are not earned during part-time employment.

B. Carryover of Earned Time Off

Earned, unused ETO may be carried over into the next year but the number of days carried over may not exceed your entitlement for the new anniversary year. See Chart B.1 Below:



Chart B.1: Example:

	ETO Entitlement Carryover	Used	Unused	ETO Actual Carryover
1st Year	20	14	6	6
2nd Year	$20 + 6 = 26$	9	17	17
3rd Year	$20 + 17 = 37$	10	27	20
4th Year	$20 + 20 = 40$	19	21	20
5th Year	$20 + 20 = 40$	14	26	25

C. Earned Time Off at Termination

- 1) Terminating employees will be paid either for their earned but unused ETO or their annual entitlement, whichever is less. Unused ETO carried over will be used in this calculation.

Examples:

4.3a A terminating employee with two years and six months of service who has used no ETO days during the current employment year and who has two unused days of ETO carried over from the previous year will be entitled to payment of 11.96 days {9.96 days earned in the current year plus two carried over. $(1.66 \times 6 + 2 = 11.96)$ }

4.3b A terminating employee with four years and ten months of service who has used no ETO days during the current employment year and who has six unused days of ETO carried over from the previous year will be paid for 20 days of ETO. $(1.66 \times 10) = 20$ days annual entitlement.)

- 2) If you have used all of your ETO entitlement for the employment year and terminate your employment before you have earned all the ETO you have taken, payment for the unearned days will be deducted in the computation of your final paycheck.
- 3) The university does not make payment for unused ETO to employees who are terminated for the violation of university rules and/or regulations, to employees who resign without appropriate notice as described under Voluntary Termination in the Staff Handbook, to



employees who resign or terminate employment during the initial provisional period, or to the beneficiaries of employees who die while employed at the university. An employee cannot use ETO on the last day of employment. Unless on an approved leave of absence, an employee must be actively working on the date employment ends.

- 4) When an employee's status changes from full-time to part-time, the employee will be paid for his or her earned unused ETO days or annual entitlement, whichever is less.
- 5) An emergency or unexpected work requirement might cause you to forego scheduled earned time off already approved by your supervisor. When such an event means that you cannot carry over ETO to which you would have been entitled if you had taken your scheduled earned time off, special arrangements may be made by your department head and should be confirmed in writing.
- 6) The agreement may provide for earned time off to be carried forward or some other arrangement appropriate to the circumstances.

Exceptions to ETO Policy

North American University reserves the right to make exceptions or alterations to this policy where required.

Employees who began prior to 07/01/2018 and have met the provisional period may carry over earned unused vacation until October 1, 2018. Employees begin earning current ETO rates effective 7/1/2018 according to chard A.1; earned ETO begins on 7/1/2018.

5. Who Should Read This Policy
 - Faculty and Staff
6. Related Documents and References
 - Form 6200-107 Earned Time Off Request Form
 - Employee Handbook
 - Benefits Program