Transitioning Existing Leave
Effective January 2024

On January 1, 2024, employees will stop accruing vacation, sick and personal days and will begin accruing paid time off (PTO). Employees will retain previously accrued balances when transitioning to the new leave program:

**Sick Leave**

*How can I use my banked sick leave?*

If PTO is exhausted, employees can use banked sick leave for sick leave occurrences. Sick leave may also be used to cover the short-term disability elimination period and to supplement the short-term disability base plan and workers' compensation. Employees will contact the Leave Administration Team to use banked sick leave at umleaveadmin@umsystem.edu.

*How will banked sick leave be used toward retirement?*

If an employee meets the requirements to retire from the DB Plan or the DB component of the Hybrid Plan (at least age 55 with 10 years of service or age least age 60 with 5 years of service), unused sick leave adds additional service credit in the pension calculation. If an employee separates prior to retirement eligibility or is a member of the DC Plan, which does not have a pension component, sick leave is forfeited.

**Personal Days**

*Can I use my personal days in 2024?*

Yes. The last personal day accruals will be earned on the employee’s anniversary date in 2023. Employees will have until their anniversary date in 2024 to use their remaining personal days. Personal days not used prior to the employee’s anniversary date in 2024 will expire.

For full information on leave program changes, visit umurl.us/ModernizeLeave

Updated: 10/06/2023
Vacation Transition

At transition in January 2024, employees with 10 days (80 hours) or less of accrued vacation time will have their balance converted to PTO in the new plan. Employees with more than 10 days (80 hours) will have the first 10 days (80 hours) converted to PTO and then will receive a full payout for the rest of their balance as outlined below. Employees will be able to use available vacation balances until they are fully paid out.

<table>
<thead>
<tr>
<th>Vacation balance at transition</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>0-80 hours (0-10 days)</strong>*</td>
<td>All days convert to PTO</td>
<td>No action, entire balance converted in 2024</td>
<td>No action, entire balance converted in 2024</td>
</tr>
</tbody>
</table>
| **81-240 hours (11-30 days)*** | First 10 days convert to PTO  
Up to 10 days paid out  
Remaining vacation banked and available to use | Remaining vacation is paid out | No action, entire balance converted or paid in 2024 and 2025 |
| **241-352 hours (31-44 days)*** | First 10 days convert to PTO  
10 days paid out  
Remaining vacation banked and available to use | Up to 10 days paid out  
Remaining vacation banked & available to use | Remaining vacation is paid out |

Do I have to use my accrued vacation before PTO?
No, employees can decide what order they wish to use their remaining accrued vacation and PTO.

How will vacation be paid out?
The vacation payout will be deposited as an off-cycle paycheck around the beginning of February each year until the vacation transition is complete in 2026. The payout will be deposited into the account(s) listed on the Direct Deposit page in myHR. The payout will include deductions and withholdings such as taxes and retirement but will not include deductions such as benefits or campus-specific deductions. Employees will be able to adjust 403(b) and 457(b) retirement contributions for the payout.

Accruing and Using Paid Time Off (as of Jan. 1, 2024)

Employees earn PTO in hour increments each week based on their annual allowance:

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>PTO (Paid Time Off) Days Per Year*</th>
<th>Non-Exempt (Hourly)</th>
<th>Exempt (Salaried)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 5 years</td>
<td>18 days (144 hours)</td>
<td>23 days (184 hours)</td>
<td></td>
</tr>
<tr>
<td>5 – 15 years</td>
<td>23 days (184 hours)</td>
<td>28 days (224 hours)</td>
<td></td>
</tr>
<tr>
<td>15 or more years</td>
<td>28 days (224 hours)</td>
<td>28 days (224 hours)</td>
<td></td>
</tr>
</tbody>
</table>

*Hours are prorated for employees working less than 100% FTE.