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## PAID TIME OFF (PTO) POLICY

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Approval: Debbie Arnold, Vice President, HR Operations  
Policy Initiated by: HR Shared Services  
Application: Enterprise

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### **PURPOSE**

The purpose of this policy is to provide a Paid Time Off (PTO) program to compensate eligible Associates who are absent from work for vacations, holidays, illnesses or injuries, personal business and other time off and to provide a PTO donation program to assist Associates who have experienced a personal or family medical emergency.

### **PTO PROCEDURES**

#### **A. Eligibility**

This PTO program applies to regular full-time and regular part-time Associates. Full-time and part-time Associates are eligible for the program upon hire or on the date their status changes from PRN or temporary to full-time or part-time. This program does not apply to Associates who are specifically covered under another CHRISTUS PTO (or similar) program.

#### **B. PTO Amount**

Eligible Associates are given an annual allotment of PTO each year based on their length of service and employment status. This PTO is not accrued. PTO is a gratuity and the full annual allotment of PTO will be given at time of hire, and will reset each year thereafter. New PTO balances will be reflected in the payroll and timekeeping systems after the payroll has been processed and may be accessed during the pay period following the Associate's hire date, service anniversary date or status change date.

*For example: An Associate's anniversary date is January 8, which falls within the pay period of January 6 – January 19. The Associate will have until January 19 to exhaust the prior year's PTO. The PTO bank will reset during payroll processing, and the full bank should appear in the timekeeping system on pay date January 25.*

PTO is allocated in accordance with the following schedule:

Length of Service	PTO Hours Awarded
Less than 1 year	180 hours
1 – 9 years	240 hours
10 – 20 years	264 hours
More than 20 years	280 hours

Associates classified as part-time status will receive one-half of the applicable full-time PTO allotment.

An Associate's length of service, for purposes of PTO determination, will reflect the total period of continual service including time employed under PRN or temporary status (excluding temporary contractors and agency personnel).

PTO hours will be maintained by the Human Resources Information System. The balance reflected on the Associate's pay stub/voucher will include all time taken through the end of the pay period.

### C. Use of PTO

1. Associates are responsible for managing their PTO account. It is important to reserve time for holidays, vacations, doctor appointments, personal business, short term illness and unexpected absences. Associates may not use PTO hours before they are allocated and reflected in the payroll and timekeeping systems.
2. All PTO requests are subject to approval by the Associate's manager. Associates are expected to request PTO from their manager as far in advance as possible and according to the department's notice requirement. Managers are responsible for notifying Associates of the required notice period and for applying the requirement consistently. CHRISTUS generally will grant requests for PTO, when possible, taking business needs into consideration. There may be occasions, such as sudden illness of an Associate or his/her immediate family member, when the Associate cannot notify a manager in advance. In those instances, the Associate must notify his/her manager at least two (2) hours before the start of the Associate's shift, or according to departmental procedures, except in emergency circumstances when such contact is not feasible. In those instances, notification should take place as soon as possible. When necessary, if patient safety and care or critical business operations will be impacted by the Associate's absence, CHRISTUS reserves the right to cancel approved PTO.
3. Newly-hired Associates will receive their annual PTO allotment during payroll processing for their first pay period, but they will generally not be able to use their PTO during the Introductory Period, except for holidays and extenuating circumstances subject to manager discretion.
4. The combination of worked hours, non-worked paid hours and PTO hours should not exceed the number of hours the Associate is normally authorized to work in a workweek, up to a maximum of 40 hours. *Example: If an Associate would have normally been scheduled to work 36 hours that week, the total number of hours paid, including PTO, may not exceed 36.*
5. The only exception to the previous paragraph will be if the hours beyond the Associate's normal schedule were worked in a secondary position (different job in a different department). *Example: If a full-time Patient Access Representative would have normally been scheduled to work 40 hours that week and then works as a Patient Sitter on the weekend, the Associate may use PTO for time taken off during their normal*

40 hour work week while being paid for the time worked as a Patient Sitter.

6. **Non-Exempt Associates** may use PTO as described below:

- a. PTO hours will be paid at the Associate's base rate and do not include shift or other differential payment.
- b. If the Associate does not have enough PTO to cover time taken off from work, that time will be unpaid.
- c. After the Introductory Period (as discussed above), non-exempt Associates are required to use any available PTO to cover missed hours, before taking time off without pay. This requirement excludes any time missed due to flexing/low census or when the Associate's department or location is closed due to inclement weather; in these instances, the Associate may choose to use available PTO or take time off without pay.

7. **Exempt Associates** may use PTO as described below:

- a. **Exempt** Associates are paid on a salaried basis and, if some hours are worked in a day, salary is continued with the appropriate PTO deduction applied. An **exempt** Associate must take PTO to cover personal absences. PTO may be taken only in increments of a full day (8 hours) or one-half day (4 hours). While no PTO will be deducted for an absence less than 4 hours in a single day, such absences should be limited and pre-approved.
- b. If an **exempt** Associate has fewer than 4 hours of PTO and takes a half day of absence, then 100% of the balance of the Associate's PTO hour bank will be withdrawn and the Associate's salary for the day will continue without a deduction.
- c. If an **exempt** Associate wishes to take a full day off work, he or she must have at least 8 hours of PTO for the absence to be paid. If an **exempt** Associate has fewer than 8 hours of PTO and wishes to take a full day of absence, then the Associate must take a full day off without pay.
- d. When an **exempt** Associate is on intermittent or reduced schedule leave under the Family and Medical Leave Act (FMLA), CHRISTUS may pay the Associate PTO in any increment for the time that the Associate is away from work due to the FMLA-protected condition. If no PTO is available, CHRISTUS may deduct the Associate's salary accordingly.
- e. Deductions may be made from an **exempt** Associate's compensation to account for absences of a full day or more if (i) the absence is for personal reasons and (ii) the Associate has exhausted his or her PTO allowance. No deductions may be made from an exempt Associate's compensation to account for absences due to flexing/low census or when the Associate's department or location is closed (e.g., due to inclement weather, holidays).
- f. These procedures assume the **exempt** Associate works a regular shift of five days per week. If the Associate works any other schedule, the amount of PTO required for half day absences should equal one-half the Associate's regular shift. *Example: If an Associate's schedule is four 10 hour days per week, the Associate should take PTO in increments of five hours.*

8. Frequent unscheduled absences or other abuse of these guidelines may result in disciplinary action up to and including termination.
9. Generally, the maximum PTO approved at a time for personal reasons, other than medical circumstances, will be two weeks, subject to management approval. Additional PTO may be requested and approved for special circumstances.

#### **D. Holidays / Family & Cultural Days**

PTO is designed to cover time off for holidays and family and cultural days. Associates may choose whether to use available PTO or to take the day off without pay.

1. Unless CHRISTUS has determined an Associate's work is business critical and time-sensitive, and such work is approved by the department's senior leadership, Associates may be required to take off work on the following holidays:

- New Years' Day
- Easter
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day

Associates working on a holiday may be eligible for additional compensation as defined in the Holiday Differentials Policy.

2. **Family and cultural days** support CHRISTUS's commitment to diversity and inclusion allowing Associates time off for other holidays that are important to them and their families. Unless CHRISTUS has determined an Associate's work is business critical and time-sensitive, and such work is approved by the department's senior leadership, Associates may be required to take off work on the following holidays:

- Martin Luther King, Jr. Day
- Good Friday
- Day after Thanksgiving
- Christmas Eve
- New Years' Eve

In addition, Associates may request up to two days per calendar year for other family and cultural days. Associates must provide a description of the day for which they are requesting time off and the request must be scheduled and approved in advance by the Associate's manager.

Associates working on a family or cultural holiday are not eligible for additional compensation.

3. Typically, holidays and family or cultural days falling on Saturday will be observed on Friday and holidays falling on Sunday will be observed on Monday.
4. The manager is responsible for scheduling work on holidays according to business and customer needs. Managers should respect the request for time off for family and cultural days and make efforts to accommodate the requests unless a compelling business need exists that would cause the Associate's absence to be detrimental to operations and no replacement is available.

## **E. Transfers To/From Another CHRISTUS Ministry/Facility**

If an Associate transfers to another CHRISTUS ministry/facility, the Associate's PTO balance will be transferred to the new ministry/facility.

## **F. Status Changes**

1. If an Associate's status changes to or from full-time, part-time or PRN, the Associate's PTO balance will be adjusted as follows.
  - a. Full-time or Part-time to PRN: The Associate's PTO balance will be forfeited as the Associate is no longer eligible for PTO.
  - b. Full-time to Part-time: The Associate's PTO balance will be reduced to 50% and will reset on the next service anniversary date at the part-time rate (50% of the full-time amount).
  - c. Part-time to Full-time: The difference between the annual full-time and part-time PTO allocation will be prorated from the effective date of the change to the next service anniversary date and added to the Associate's current balance.
  - d. PRN to Full-time or Part-time: The adjustment to PTO will be made depending on the amount of time the Associate has been in a PRN status as follows:
    - 1) If the Associate has been in PRN status for his or her entire employment period: The eligible PTO allocation will be prorated from the effective date of the change to the next service anniversary date.
    - 2) If the Associate changed from full-time or part-time to PRN status within the past 90 days, the PTO balance that was forfeited will be reinstated unless the Associate's service anniversary date occurred during the period of PRN status. If the service anniversary date has already occurred, the PTO allocation will be prorated from the effective date of the change to the Associate's next service anniversary date.
    - 3) If the Associate changed from full-time or part-time more than 90 days before the effective date of the change, the PTO allocation will be prorated from the effective date to the Associate's next service anniversary date.

## **G. Termination of Employment**

1. Because PTO is a gratuity, it should not be considered an amount due or wages earned. Unused PTO is not a vested right, and an Associate will not be compensated or paid out upon termination of employment. Any remaining unused PTO under this PTO program will be forfeited.
2. Generally, Associates who have given notice of resignation may not utilize their PTO benefits during the notice period.
3. PTO hours may not be used to extend employment beyond the last day actually worked.

## **H. Rehires**

1. If an Associate separates from employment and is rehired within 90 days, the Associate's previous date of hire will be used for purposes of PTO determination. In addition, the rehired Associate's previous PTO balance at the time of separation will be reinstated unless the Associate's service anniversary date occurred during the period the Associate was terminated. If the service anniversary date occurred during the period the Associate was terminated, the PTO allocation will be prorated from the rehire date to the next service anniversary date.
2. If an Associate is rehired more than 90 days after he or she separated employment, the rehire date will be considered the service anniversary date to be used for PTO determination. The annual PTO amount will be allocated during the first pay period's payroll process.

## **I. Other Time Off**

These guidelines do not cover all absences. An Associate may also be eligible for jury duty leave, bereavement leave, unpaid Family Medical Leave Act leave, Short-Term Disability benefits, and other time off according to CHRISTUS policies and guidelines.

## **J. Cash Out of PTO**

No cash out of PTO is allowed under this policy.

## **PTO DONATION PROGRAM**

CHRISTUS sponsors a paid time off (PTO) donation program under which Associates may donate some of their unused PTO to other CHRISTUS Associates who need time off to cope with a medical emergency, as outlined in this policy. This program provides a way that CHRISTUS Associates can help co-workers who would otherwise suffer a substantial loss of income as a result of taking unpaid leave. It does not entitle Associates to take additional leave. Information about CHRISTUS' PTO and leave policies can be found online at [mychristuslife.com](http://mychristuslife.com).

### **A. Associates Eligible to Donate PTO**

Associates are eligible to donate unused PTO into a PTO donation bank if they meet all of the following criteria:

1. The Associate has completed the introductory period.
2. The Associate has more than 80 hours of unused PTO.

### **B. Associates Eligible to Receive Donated PTO**

Associates are eligible to request up to 40 hours in a 30 day period with a maximum of 80 hours per 12 month period if they meet all of the following criteria:

1. The Associate has completed the introductory period.
2. The Associate is eligible for PTO under the PTO policy.
3. The Associate is on an approved leave of absence relating to a medical emergency as defined below.
4. If the request relates to time off for a medical emergency, the Associate has provided appropriate medical certification as requested by the leave management administrator or Human Resources.
5. The Associate has exhausted or is not eligible for all paid time off, including PTO, bereavement leave, workers' compensation or Texas Occupational Injury Assistance Plan (TOIAP) benefits, and short- or long-term disability benefits. If the Associate is eligible for workers' compensation or short term disability benefits, the Associate may request a donation to cover the elimination period. Although the Associate is not eligible to use donated PTO until all other forms of paid time off have been exhausted, the Associate may request a donation in anticipation of exhausting all other paid time off no more than 30 days in advance.

For purposes of this policy, **medical emergency** is defined as an acute injury or illness that poses an immediate risk to a person's life or long-term health (such as a heart attack or cancer) of the Associate or the Associate's immediate family member (meaning the Associate's spouse, parent, step-parent, parent-in-law, sibling, child, step-child, or legally-domiciled dependent) that requires the Associate to be absent from work for a prolonged period, including intermittent absences related to the same illness or injury.

### **C. Donation of PTO**

1. Associates who want to donate PTO must submit a PTO Donation Form online at [mychristuslife.com](http://mychristuslife.com).
2. Associates who are eligible to donate PTO must donate a minimum of 4 hours of unused PTO per donation submission, but may not donate more than 80 hours of unused PTO in a 12 month period. PTO must be donated in increments of full hours (e.g., 4, 5, 6).
3. The Associate must retain a minimum of 80 hours of unused PTO for his or her own personal use after the donation.
4. Donations of PTO are irrevocable, meaning that once the time is donated, it will not be returned to the donor-Associate.

### **D. Requesting and Using Donated PTO**

1. To request donated PTO, an eligible Associate must complete the PTO Assistance Request Form available online at [mychristuslife.com](http://mychristuslife.com). Among other things, the PTO Assistance Request Form requires the Associate to demonstrate that he or she is on approved leave, provide a description of the medical emergency, and specify the amount of donated PTO hours requested.
2. Eligible Associates may not request donated PTO of more than 40 hours in a 30 day period or more than 80 hours in a 12 month period.

3. Requests for donated PTO may be submitted up to 30 days in advance and will be granted on a first-come, first-served basis, provided that CHRISTUS reserves the discretion to award donated PTO to Associates most in need if CHRISTUS receives multiple requests for a limited amount of donated PTO. Donor-Associates may not designate the Associate to whom their donated PTO is to be awarded.
4. Donations may only be used to compensate the recipient-Associate for approved time off taken during the medical emergency event. Neither the donor-Associate nor the recipient-Associate may request or receive the equivalent monetary value of the time off in lieu of taking paid time off. In addition, donated PTO may not be used for unapproved absences or future time off.
5. Donations will be processed at the recipient-Associate's rate of pay. For example, if a donor-Associate earns \$20 per hour and donates 40 hours of PTO, the donation bank will be credited with donated PTO equivalent to \$800. If a recipient-Associate who earns \$10 per hour needs 40 hours of donated time, an equivalent of \$400 of paid time off from the donation bank will be used for the recipient-Associate, and an equivalent of \$400 of donated PTO will remain in the bank to be donated to another eligible Associate.
6. Part-time Associates who received donated PTO will be paid based on their regularly scheduled hours of work.
7. Each donor-Associate and recipient-Associate is solely responsible for assessing the impact a donation will have on his or her taxes and benefits.
8. Donated PTO is not paid out on termination of employment. If the Associate returns to work before exhausting donated PTO, the remaining donated PTO will revert to the donation bank and become available for other eligible Associates.
9. There are no guarantees that donated PTO will be available at the time an Associate requests it because donations into the donation bank are voluntary.
10. If the recipient-Associate's regular PTO bank resets causing the Associate to have access to PTO during the leave period, the Associate must use his or her PTO before any additional donated PTO will be paid.

#### **E. Voluntary Participation**

Participation in this program is entirely voluntary. CHRISTUS will endeavor to keep the names of donor-Associates and recipient-Associates anonymous, except from Associates involved in the administration of this program. Associates should not solicit other Associates to participate in this PTO donation program.

#### **F. Carry Over**

All unused PTO remaining in the donation bank will carry over from year to year.

#### **ADMINISTRATION OF GUIDELINES/RIGHT TO AMEND**

The CHRISTUS Human Resources Shared Services Department is responsible for the administration of these guidelines. If Associates have any questions regarding these guidelines or about PTO, the Associate should



contact My CHRISTUS Life. The company reserves the absolute and unconditional right to amend, modify or terminate these guidelines at any time.