UTIME OVERVIEW

June 2019 Update
Agenda

• Background

• Introducing UTime
  • Comprehensive Leave Benefits
  • New Time Management System

• Communications Strategy

• Appendix
Background
Guiding Principles

- Provide benefit programs that are fair, equitable and competitive
- Give employees more control over their well-being
- Support individual accountability and decision-making
- Modernize services and technology to meet workforce needs
- Demonstrate fiscal responsibility in support of the sustainability of the System
- Offer solutions that are efficient and reduce administrative workload
Background

- Employee feedback and shared experiences regarding
  - Leave coverage gaps
  - Policy variations for exempt and non-exempt employees
  - Confusing procedures, unclear benefits (especially maternity)

- Formed employee-led leave task force

- Initiated System-wide review of all leave and time-off benefits

- Received input from System HR Council, Staff Councils and HR Executive Committee
Benchmarking Study

We partnered with Strategic Benefit Advisors (SBA) to conduct a benchmarking study. Their results:

- Verified that current leave and time-off benefits have coverage gaps
- Programs are unequal between exempt and non-exempt employees
- Difficult to understand programs and policies
- Benefits do not meet needs of current and future employees
- Lack a standardized, automated time management system

- Reviewed 31 higher education peers
- Determined competitive benefits within higher education and industry
The Need for Equity—Current Programs

<table>
<thead>
<tr>
<th></th>
<th>Exempt</th>
<th>Non-Exempt</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Time/Earned</td>
<td>Up to 24 vacation days/year</td>
<td>Up to 39 earned time days/year</td>
</tr>
<tr>
<td>Time (ET)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sick Time/Sick Pool</td>
<td>15 days</td>
<td>ET converted to Sick Pool, if elected</td>
</tr>
<tr>
<td>Short Term Disability</td>
<td>Interim Disability; elect Voluntary coverage</td>
<td>ET converted to Sick Pool or Voluntary coverage, if elected</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash-Out Value at</td>
<td>Up to 30 vacation days</td>
<td>Unused ET balance (no cap)</td>
</tr>
<tr>
<td>Termination</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medical Maternity</td>
<td>Interim Disability</td>
<td>ET converted to Sick Pool, if elected</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Timekeeping</td>
<td>Requirements and deadlines vary</td>
<td>All worked and time off hours submitted bi-weekly</td>
</tr>
</tbody>
</table>

You have it really good! I think you have it better!
## Opportunities

### For Employees
- Introduce comprehensive benefits to reduce coverage gaps
- Promote equity among exempt and non-exempt employees
- Clarify benefit programs
- Improve technology and online access for time management
- Provide real-time access to leave balances and work hours

### For Campuses
- Align with higher education benchmark and external industry best practices
- Attract and retain talent
- Simplify administration and reduce costly errors in time management
- Ensure regulatory and policy compliance

---

**Benefits provided in collective bargaining agreements will remain in effect, subject to future negotiations**
Introducing UTime
UTime is our response to opportunities through a comprehensive leave and time management program.
Comprehensive Leave Benefits
Personal Time

- For vacation and personal time off
- Accrue up to 24 days per year based on years of service
- Maximum: 45 days
- If you leave USNH or retire, receive cash value of up to 30 earned days

Replaces existing Vacation and Earned Time benefits
Sick Time

- Each year, earn up to 15 days for personal illness or injury, or to care for a family member
- Maximum: 60 days
- No cash value at termination or retirement

Family Care

- Time off to support medical needs of immediate family members
- Maximum days used per fiscal year: 25 days of Sick Time balance can be used per fiscal year

Replaces existing Sick Time and Sick Pool benefits
Short Term Disability

- Employer-paid benefit

- Receive 100% of annual base salary, up to first 8 weeks; receive 60% of annual base salary weeks 9 – 26

- 1-week elimination period for illness/maternity; no elimination period for accident
  - Elimination period covered through Sick Time

- Must be at work for two months before STD benefits eligibility starts

Replaces existing Interim Disability, Voluntary STD and Sick Pool benefits
Parental Leave

- 4 weeks paid leave for maternity, paternity, adoption/fostering and surrogacy
- Can also be used by employed co-parents also working for the System
- Use is on a rolling 12-month basis; runs the same time as FMLA

The State legislature and governor are also exploring a family leave benefit; we will continue to monitor progress on these proposals.
Community Service

• 1 optional, supervisor-approved, paid community service day per year

Bereavement

• 5 paid days for loss of an immediate family member:
  • spouse, parent, stepparents, parent in-law, child, child in-law, stepchildren, sibling, stepsibling, grandparents, grandchildren, and individuals living within the faculty/staff member's household.

• 1 paid day for loss of non-immediate family member
Long Term Disability

- **Basic LTD:** 60% of base salary, up to $5,000 per month, employer-paid
- **Buy-up option:** 66-2/3% of base salary, up to $15,000 per month

Jury Duty and Witness Leave

- Leave with pay for purpose of serving on a jury or appearing as a subpoenaed witness

Military Leave

- Military leave policy follows federal regulations of Uniformed Services Employment and Reemployment Rights Act (USERRA)

Holiday Time

- 11 holidays per year
Special Note: Transition to UTime

Existing Balances

Non-Exempt Employees:

- **Earned Time**: Existing Earned Time balances will be frozen July 1, 2019, but can be used. Days can be drawn down by electing annual cash out. Remaining, unused balance will be cashed out at retirement/termination.

- **Sick Pool**: Existing Sick Pool balances will be automatically converted back to Earned Time at a 3:1 ratio. There will be an opportunity, after July 1st, to convert Earned Time into the new Sick Time benefit.

- **Cash Out**: Earned Time will still have a cash out option annually. Employees will elect this during Open Enrollment for a January payout of up to 80 hours.

Exempt Employees:

- **Sick Leave**: Existing Sick Leave balances will carry over. No further earned days until balance is below the 60-day maximum. Sick Leave is renamed “Sick Time.”

- **Vacation Time**: Existing Vacation Time balances will carry over. Vacation Time is renamed “Personal Time.”

Short Term Disability

Voluntary Short Term Disability Enrollees:

- Voluntary STD coverage will drop as of July 1st and enrollees will be covered by the new, employer paid plan. Employees may elect to continue to pay for the voluntary benefit, instead of the new benefit, through December 31, 2019. Anyone currently receiving Voluntary STD payments, as of July 1st, will continue to do so until the benefit has been exhausted and the employee returns to work or terminates employment.
Example: Maternity Leave Current

- **Leave Needed:** 12 Weeks
- **Earned Time/Sick Pool:**
- **Sick Time:**
- **Interim Disability:** 100% Paid
- **Voluntary STD:** EP 60% Paid
- **Vacation Time:**

**Notes:**
- A non-exempt employee needs to work 2.5 years to have enough ET accrued, resulting in unpaid leave for new hires.
- An exempt employee needs to use all available sick time before applying for interim disability.
Example: Maternity Leave UTime

- **Leave Needed:** 12 Weeks
- **Sick Time:** Partial
- **Short Term Disability:** 100% Paid
- **Parental Leave:** 100% Paid
- **Personal Time:**

---

New hires need to work 4 months to cover elimination period; will have to work 2 months to be eligible for STD.
New Time Management System
What is Time Management?

An integrated set of procedures and practices established to optimize employee productivity, improve accountability and better manage payroll expenses.

• Standardized time and leave utilization
• Automated time and attendance tracking and scheduling
• Proactive absence management
• Enhanced remote and mobile time tracking
New Time Management System

- **Kronos Workforce Dimensions** selected
  - Cloud-based, real-time system for all campuses

- March 2019: Contract Signed

- Spring/Summer 2019: Implementation

- October 5, 2019: Anticipated Effective Date

Accessible from individual workstations, mobile devices, time clocks

Simplified tracking of hours worked, time-off utilization, and time-off requests/balances

Improved transparency with real-time data access
Utilizing Kronos Workforce Dimensions

• Timecards, including any time off, completed daily and approved every pay period.

• Non-exempt (hourly) employees:
  • Document all hours worked including meals
  • Request and document time off and leaves of absence

• Exempt (salary) employees:
  • Request and document time off and leaves of absence

• Student workers:
  • Document all hours worked by location
  • Document absences (as required)

Kronos Workforce Dimensions will provide employees with greater insight into available time off options, as well as shift rates, pay premiums and compensatory time.
Kronos Features – Time Clock

- Intuitive, Integrated Experience
- Card reader, fingerprint and touchscreen options
- Easy to access employee tasks that saves time
- Access to and control of your information via convenient self-service
Kronos Features - Employees

- Complete tasks (time stamps, time off request, approvals, etc.) anywhere from any device
- Workforce Dimensions is device agnostic, letting users easily move from the desktop, to a tablet, to a phone, without any feature loss.
Kronos Features - Managers

- Managers will have direct access to real-time information to view direct reports and staff.
- Task oriented home screen can be configured by users themselves.
- Supports primary actions with just a few clicks.
- Access operational data with Excel-like functionality.
What Questions Do You Have?