



Manual: Human Resources

Section: Benefits

Number: HR226v5

Policy

Procedure

Title: Paid Sick Leave

|   |   |                  |          |                            |          |
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| HR Strategy Team  | 06/06/24  |                  |          |                            |          |
| P&P Coordinating Committee  | 06/11/24  |                  |          |                            |          |
| <p><b>Executive Management Team Member:</b> Mark Steiman Vice President, Chief Human Resources Officer</p> <p><input type="checkbox"/> New<br/> <input checked="" type="checkbox"/> Revised<br/> <input type="checkbox"/> Reviewed (no changes)</p> <p>Track: <input type="checkbox"/> A <input checked="" type="checkbox"/> C</p> <p><b>Replaces:</b> 12/15, 06/18, 07/23, 01/24</p> | <p><b>Medical Executive Committee Approval Date:</b> n/a</p> <p><b>Board of Directors Approval Date:</b></p> <p><b>Effective Date:</b> 06/11/24</p>   |                  |          |                            |          |

**I. PURPOSE:**

- A.** This program complies with the California Healthy Workplaces, Healthy Families Act of 2014 (AB1522) and enables all associates, which includes Benefitted Associates and Non-benefitted Associates (as defined below), to use up to five (5) days/shifts per year of Paid Sick Leave (PSL), as required by the Act. PSL may be used for the following purposes:
1. Time off resulting from an associate’s (i) own illness, (ii) for the diagnosis, care or treatment of an existing condition, or (iii) for preventive care, which may include time off related to the associate’s wellbeing to prevent or reduce causes that can contribute to illnesses, such as stress, burnout, anxiety, exhaustion, depression, sleep issues, loneliness, lack of focus and other unhealthy conditions or behaviors.
  2. Time off for an associate who is a victim of domestic violence, sexual assault, or stalking to:
    - a. Obtain or attempt to obtain any relief, including, but not limited to, a temporary restraining order, restraining order, or other injunctive relief to help ensure the health, safety, or welfare of the victim or his/her child, or
    - b. To seek medical attention for injuries caused by domestic violence, sexual assault, or stalking, or
    - c. To obtain services from a domestic violence shelter, program, or rape crisis center as a result of domestic violence, sexual assault, or stalking; or
    - d. To obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
    - e. To participate in safety planning and to take other actions to increase safety from future domestic violence, sexual

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assault, or stalking, including temporary or permanent relocation.

3. Time off to care for the associate’s child, parent, spouse, registered domestic partner, grandparent, grandchild, or sibling, or designated person (each of which are defined by law) due to illness or for the diagnosis, care or treatment of an existing condition or preventative care.
  - a. A designated person is defined as a person identified by an associate at the time the associate requests leave. An associate is limited to one designated person per 12-month period.

- B. PSL is only for absences identified above and may not be used for personal absences, vacations or for hours of work outside an associate’s scheduled hours. Associates may use PSL in increments of no less than two (2) hours. However, exempt associates are not required to record use of PSL in less than full-day increments. PSL is paid at the associate’s regular rate of pay as required by law, and does not include shift differential, nor is it included in the overtime calculation.

**II. SCOPE:**

- A. **Plan Year:** July 1 to June 30.
- B. **Eligibility:** An associate must be employed by CHOC for at least eighty-nine (89) days before being able to use accrued PSL.

**III. DEFINITIONS:**

- A. **Non-benefitted Associates** - Part Time, Per Diem and Temporary non-benefitted positions.
- B. **Benefitted Associates** – Any associate who is currently in a benefit-eligible position such as Full Time and Part Time with benefits.
  1. Non-exempt associates – associates paid on an hourly basis, eligible for overtime.
  2. Exempt associates – salaried associates, not eligible for overtime.

**IV. POLICY:**

- A. Associates will accrue PSL at the rate of one (1) hour for every thirty (30) hours worked or .03333 per hour worked. The maximum accrual limit is equivalent to ten (10) days/shifts; however, an associate may only use five (5) days/shifts per plan year.
- B. Due to varying shifts lengths at CHOC, the following table defines annual usage limits and maximum accrual balances:

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| <b>Work Schedule</b> | <b>Maximum Annual Usage Allowance</b> | <b>Maximum Accrual Balance</b> |
|----------------------|---------------------------------------|--------------------------------|
| Up to 8-hour shifts  | 40 hours                              | 80 hours                       |
| 10-hour shifts       | 50 hours                              | 100 hours                      |
| 12-hour shifts       | 60 hours                              | 120 hours                      |

**C. Notice Requirements:**

1. If foreseeable, an associate must provide reasonable advance notice of any absence from work for which the associate intends to use PSL. Verbal or written notice is acceptable, but PSL will not be paid until the associate enters the request into Workday Absence and it is approved by the associate’s supervisor.
2. If the use of PSL is unforeseeable, an associate must request PSL through Workday Absence as soon as practicable. An associate is not required to search for or find a replacement worker to cover the days during which the associate uses PSL.
3. Associates are responsible for designating time off as PSL in Workday Absence. Upon return, PSL must be entered into Workday Absence and approved by the associate’s supervisor no later than the end of the pay period in which PSL was taken. Absent extenuating circumstances, associates will not be permitted to retroactively designate an absence as PSL after the close of the pay period in which the PSL was taken.

**D. Integration with Other Benefits:**

It is the associate’s responsibility to apply for any applicable benefits for which he or she may be eligible as a result of an illness or disability, including California State Disability insurance, workers’ compensation insurance, Paid Family Leave benefits and/or any other disability insurance benefits. PSL may be fully integrated with other benefits available, but in no event will an associate be paid in excess of FTE status.

**E. Status Changes:**

If an associate formally changes shift status (e.g., transfers from an 8-hour shift role to a 12-hour shift role), the associate will be subject to the accrual and usage caps applicable to the new shift status. Associates are not compensated for unused PSL balances greater than their new work schedule permits.

**F. Carryover of Unused Paid Sick Leave:**

1. **Benefit Eligible Plan** – At the end of each plan year (June 30), benefit-eligible associates with accrued, unused PSL will have what remains up to three days of unused PSL will be transferred to the PTO bank on July 1. Provided that their PSL Total Balance has sufficient accrual to replenish their five (5) day total annual usage

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allowance at the start of the fiscal year. If their PSL Total Balance does not have a sufficient accrual amount to replenish the five (5) day total annual usage allowance, then what remains of the previous fiscal year's three (3) day unused PSL allowance will not be transferred to their PTO bank. It will remain in the associate's PSL account for use in the new fiscal year. The carryover of unused paid sick leave to an associate's PTO bank will cease July 1, 2024. After that date, all associates will be subject to the Non-Benefitted Plan described in Section F2 below

2. Non-Benefitted Plan – Any unused PSL will automatically carry over to the subsequent plan year, up to a maximum 5 days.

**G. Separation of Employment:**

1. **Benefit Eligible Plan** – Any accrued, unused portion up to three (3) day Usage Allowance will be cashed out with PTO on the final paycheck for terminations occurring before June 30, 2024. Beginning July 1, 2024, all associates will be subject to the Non-Benefitted Plan described in Section G2 below.
2. **Non-Benefitted Plan** – At the time of separation, all accrued, unused PSL will be maintained for up to twelve (12) months from separation. In the event that the associate is rehired within twelve (12) months, their PSL will be restored upon rehire; however, if the associate is rehired after twelve (12) months, they will begin to accrue new PSL and will not be credited with the prior PSL balance.

**H. Protection:**

1. Any accrued PSL hours taken are protected and do not constitute an occurrence under HR 503 Attendance.
2. CHOC prohibits any other adverse action (e.g., suspension, demotion, discharge or threats of such action) or discrimination against an associate for using, or attempting to use, protected PSL or for filing a complaint with any state agency for alleging a violation of applicable laws, cooperating in any investigation or prosecution of an alleged violation, or for opposing any policy or practice or act that is prohibited by such laws.

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| REVISION HISTORY |            |              |  |
|------------------|------------|--------------|--|
| Number           | Date       | Author       | Revision / Updates   |
| HR226v0          | 12/2015    | K. Wilkinson | New  |
| HR226v1          | 06/22/18   | K. Wilkinson | Updated policy   |
| HR226v1          | 12/13/2023 | K. Wilkinson | Reviewed with no changes   |
| HR226v2          | 06/26/2023 | K. Wilkinson | Added addendum for Arizona   |
| HR226v3          | 07/05/2023 | K. Wilkinson | I.A.1. added "which may include time off related to the associate's wellbeing to prevent or reduce causes that can contribute to illnesses, such as stress, burnout, anxiety, exhaustion, depression, sleep issues, loneliness, lack of focus and other unhealthy conditions or behaviors."  |
| HR226v4          | 01/04/2024 | K. Wilkinson | Updated policy as per CA legislation to increase number of allowable sick days. Added sunset language to rollover to PTO and payout at termination.<br>I.A. change "three (3)" to "five (5)" and remove "this plan replaces the kin Care program"<br>3. add "or designated person" and add section a.<br>b. add "and does not include shift differential, nor is it included in the overtime calculation"<br>IV.B. update table<br>F. change "of their three (3) day usage allowance transferred into their PTO bank" to "up to three days of unused PSL will be transferred to the PTO bank on July 1" and add "The carryover of unused paid sick leave to an associate's PTO bank will cease July 1, 2024. After that date, all associates will be subject to the Non-Benefitted Plan described in Section F2 below."<br>2. change "employees maximum accrual cap" to maximum 5 days"<br>G.1. add "for terminations occurring before June 30, 2024. Beginning July 1, 2024, all associates will be subject to the Non-Benefitted Plan described in Section G2 below" |
| HR226v5          | 06/03/2024 | K. Wilkinson | IV.F.1. change "three (3)" to "five (5)" days and change "usage" to "unused PSL"   |



### Addendum

**Applies to Arizona (AZ) associates only:** Associates may accrue up to 40 hours of paid sick leave (PSL) per plan year but no more than a maximum of 80 PSL hours may be accrued in the PSL bank. Regardless of the maximum accrual balance, associates may only use up to 40 hours of accrued PSL per each plan year. If any PSL hours are not utilized in a plan year, they will not roll-over into the Paid Time Off (PTO) bank but remain in the PSL bank. In addition to the permitted uses listed in the policy, associates in AZ may use PSL when (i) the associate's family member is a victim of domestic violence and the time off is for one of the reasons listed in the policy; (ii) closure of employee's place of business by order of a public official due to a public health emergency; (iii) closure of child's school or place of care by order of a public official due to a public health emergency; and (iv) care for associate or covered relation when health authorities or a healthcare provider determines the associate's or covered relation's presence in the community may jeopardize others' health because of his or her exposure to a communicable disease, whether or not the associate or covered relation actually contracted the communicable disease. PSL may be used in 15-minute increments.