

# DEPAUL UNIVERSITY

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## Voluntary Reduced Work Time (V-Time)

**Category:** Human Resources

**Responsible Department:** Benefits

**Responsible Officer:** Vice President for Human Resources

**Effective Date:** 9/6/2016

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### Policy Summary

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The purpose of this policy is to allow full-time staff employees to voluntarily trade income for reduced responsibilities and reduced hours for a specified period of time.

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### Scope

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This policy affects the following groups of the University:

- Full-Time Staff

This policy applies to all full-time staff who have completed at least two (2) years of continuous full-time university service. Continuous service is counted as service starting with an employee's most recent date of full-time employment. If an employee transfers from full-time status to part-time status and then back to full-time status, the service credited will be calculated from the date of return to full-time employment.

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### Policy

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#### Overview

The Voluntary Reduced Work Time (V-Time) policy allows employees to reduce responsibilities while remaining eligible for full-time benefits. The employee may work as few as 17.5 hours per week under this arrangement. The base pay of employees in this program will be reduced proportionately in accord with their reduced duties and reduced hours as will benefits that are based on pay.

A full-time schedule may be reduced by the following percentages under the V-Time policy:

- 10 percent
- 20 percent
- 40 percent
- 50 percent

Examples of possible V-Time work schedules and subsequent pay reductions for full-time employees include:

- Four (4) day workweek (20 percent duties and pay reduction)
- Nine (9) days per pay period (10 percent duties and pay reduction)
- Mornings or afternoons off (50 percent duties and pay reduction)

The initiation of such an arrangement as well as its continuation is contingent upon the availability of a qualified part-time employee to work the balance of the reduced-hours employee's work time or the ability of the manager to distribute remaining work among other employees.

Once an employee begins work under a V-Time schedule, a return to traditional full-time employment is not guaranteed. The manager must make reasonable efforts to adjust workloads so that the employee can return to full-time work in the same or a similar position. However, this may not always be possible and the opportunity to return to full-time employment may be denied by the manager.

### **Parameters**

To be eligible for a V-Time arrangement, 24 months must have elapsed since a previous V-Time arrangement. Employees who have been on a "Performance Improvement Plan" or have received final written counseling may not request a V-Time arrangement until 12 months have elapsed since the plan's end or the date of final written counseling, whichever is later.

The duration of the V-Time arrangement cannot be more than two (2) years. Once an employee exceeds the maximum duration, he/she is automatically reclassified into a part-time position. As described above, employees entering into a V-Time arrangement do not have an automatic right to return to a regular full-time position.

Employees who do not return to regular full-time employment within two (2) years will be automatically transferred to part-time status. An employee transferring into a part-time position may be eligible for the part-time benefit plans in place at the time of transfer provided the strict part-time benefits eligibility requirements are met.

The salary of an employee working under a V-Time arrangement will proportionally reflect the decrease in the number of hours worked.

### **General Considerations and Rules Regarding V-Time Arrangements**

V-Time arrangements must support the department, college or university's goals, including cost effectiveness, excellent service, high productivity, and equitable work distribution among colleagues, which may include cross training. The manager should carefully assess each request to ensure that the changed schedule will not hinder the ability to provide full service.

Not every job category or individual employee is suited for V-Time. Each request must be looked at individually and impartially. There is no guarantee that an employee will receive a reduced work schedule. There will be departments and positions that may not be able to participate in this program due to department needs.

Appropriate performance standards and measures must be established and the means of supervision, communication and systems for accountability must be feasible and practical.

Arrangements should be time specific and within the above-stated parameters. They must have a specific ending date. An initial review of the arrangement should follow a short-term pilot period of no more than two (2) months. The arrangement should be jointly reviewed by management and the employee at least quarterly.

A denial of a V-Time request or the discontinuation of an arrangement should be based upon employee performance and/or the operational needs of the unit. The rationale should be communicated to the employee in writing.

A V-Time arrangement is not a right of employment. It is established at the discretion of the employing unit and may be subject to change at the unit's discretion

If established, a V-Time arrangement does not serve as a precedent for a future arrangement within a department. The success of the arrangement lies in it being mutually beneficial for the unit and the employee established on a case-by-case basis.

Before any new schedule is implemented, the employee should understand and acknowledge that decisions regarding the employee's participation and continuation in the V-Time arrangement are at the discretion of management. Additionally, employees should be made aware that they may not be able to immediately return to their former work schedule before the agreed-to end date in recognition that the schedules of other employees may have been modified to accommodate the V-Time arrangement.

It is also important that employees understand that a return to regular full-time employment is not guaranteed even though the arrangement has a specific end date. If a return to normal full-time employment cannot be accommodated within two (2) years of the beginning of the V-Time arrangement, then the employee will be automatically transferred into part-time status and a reduction in pay and benefits may result. Finally, employees should be made aware that their pay will be reduced as well as their benefits that are calculated as a percent of pay such as life insurance, long-term disability insurance and the 403(b) matching contribution.

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## **Procedures**

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### **Steps and Approvals Required for Implementing a V-Time Schedule**

V-time requests are initiated by the employee and must be approved by the employee's manager and the applicable vice president or dean.

An employee can request a reduced schedule by completing a *V-Time Schedule Form* which is available online on the Human Resources website. A completed form must be accompanied by a written statement that includes both an explanation of how the primary and secondary duties of the employee's job will be covered if the reduced schedule is approved as well as the proposed schedule. The employee must submit the application form to his/her immediate manager. The manager is

responsible for taking the request to the appropriate dean or vice president for approval and then submitting the form to Human Resources.

Approved requests for V-Time arrangements must be submitted to Human Resources by the employee's manager. Before the arrangement goes into effect, Human Resources (in conjunction with payroll) will calculate the reduced salary/wage amount and present this notification to the employee who must sign off to the voluntary reduction in hours and pay.

Managers must inform Human Resources of changes to a V-Time schedule and provide an updated *V-Time Schedule Form*.

Human Resources maintains the documentation for each arrangement in the employee's benefits file, obtains the reduced wages and benefits agreement from the employee and manager, and coordinates the pay reductions with the Payroll Department.

### **Ending a V-time Arrangement**

Managers must notify Human Resources regarding the planned or unplanned termination of a V-time arrangement and the return of the employee to full-time employment using the *Return to Regular Employment Form*. If Human Resources is not notified of the return to full-time employment within 24 months from the on-set of the arrangement, then the employee will be automatically transferred to part-time status and full-time benefits will be discontinued. If a manager does not allow an employee to return to full-time employment at the pre-arranged agreement date, the rationale for denying a return to full-time employment must be reviewed by Human Resources and provided in writing to the employee.

V-Time arrangements can be prematurely discontinued by management with a two (2) week notice, though an immediate and unanticipated operational need may require the immediate suspension of the arrangement by the employer. An employee can request the discontinuation of a V-Time arrangement before its scheduled time of expiration. Depending on the manager's ability to reschedule other employee's work hours, such a request may or may not be accommodated.

The dissolution of a V-Time arrangement by a manager should be based upon employee performance and/or the operational needs of the unit, and the rationale should be communicated to the employee in writing.

### **Pay and Benefits**

When a holiday falls on an employee's day off in conjunction with a V-Time arrangement, exempt employees continue to receive their normal pay (their reduced biweekly pay amount) and non-exempt employees are not paid for the holiday since they were not scheduled to work. Department management is responsible for ensuring that holiday pay is properly reported on employee time sheets.

When a holiday falls on a day that an employee on a V-Time schedule is scheduled to work, the employee will receive payment for that day as follows: Exempt employees continue to receive their normal pay (their reduced bi-weekly pay amount) and non-exempt employees are paid for the time

they were normally scheduled for work on that day. For example, if a non-exempt employee was scheduled to work 3.5 hours per day, the employee would be paid 3.5 hours for the holiday. Department management is responsible for ensuring that holiday pay is properly reported on employee time sheets.

Under no circumstances may employees, whether covered by a V-Time schedule or not, reduce or forego legally required breaks or lunch periods. Similarly, a reduced lunch hour cannot be used to substitute for extended daily work hours. (See Time Reporting policy.)

### **Effect on Benefits and Accruals**

All benefits available to regular full-time benefits-eligible staff employees are available to employees who participate in the V-Time program. However, benefits and contributions based on pay, such as life insurance, short-term disability, long-term disability and the 403(b) plan will be based on the reduced pay amounts. Employee benefit plan eligibility and health plan premiums are unaffected by this arrangement. Vacation accruals and sick time accruals are reduced proportionally in accord with the reduced work hours.

FICA contributions will be reduced in accord with reduced pay amounts. Workers' Compensation and unemployment benefits may also be affected if such benefits are applied for while the employee is working under a V-Time arrangement.

For the purpose of retirement, vacation and other plans for which benefit eligibility is a function of length of service, time spent in this arrangement is considered full-time employment.

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## **Divisional Collaborations**

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Finance - Payroll

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## **Contact Information**

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**Office of Human Resources**

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## **Appendices**

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[V-Time schedule form](#)

Return from V-Time Form

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## **History/Revisions**

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Origination Date: 01/01/2007

Last Amended Date: 09/06/2016

Next Review Date: N/A