Agenda

- Paid Family and Medical Leave.......................... Ginny Montgomery
- Open Enrollment Recap...................................... Ginny Montgomery
- Workday 32 Release ............................................. Paula Ross
- AAIP......................................................................... Erin Rice and Tram Obligacion
- FMLA Intermittent Leave................... Erin Rice and Tram Obligacion
- Overtime and Salary Thresholds............................... Randy West
- Equal Pay Opportunity Act.............................. Michael Campbell and Randy West
Paid Family and Medical Leave

Marisa Graudins and Ginny Montgomery
Many employees will see deductions for the new Paid Family and Medical Leave tax on their paychecks beginning in January – though some employees covered by a collective bargaining agreement that expires in June will see the premium deduction starting in July.
Paid Family & Medical Leave & Optional LTD

> Starting January 1, 2019, new employees enrolling in optional LTD are not be able to choose a 30-day or 60-day waiting period.

> The shorter waiting periods will be replaced by the new Paid Family & Medical Leave program, which will offer eligible employees 12 to 18 weeks of paid leave after a qualifying event.

> By January 1, 2020, all employees on a 30-day or 60-day waiting period will have their benefit waiting periods moved to 90 days.
Optional LTD Open Enrollment in March

> From March 1 through 31, 2019, there will be a special, one-time open enrollment opportunity for optional long-term disability insurance

> Employees can enroll or reduce their waiting period without providing evidence of insurability (proof of good health)

> Changes made during March 2019 will be effective May 1, 2019
Open Enrollment 2019 Recap

Ginny Montgomery

UNIVERSITY of WASHINGTON
INTEGRATED SERVICE CENTER
SUCCESSFUL OPEN ENROLLMENT IN WORKDAY

Overall Trends = Very Positive!

> Communication and outreach executed as planned
> Utilization of online resources significantly higher than prior year
> As expected, OE submissions were lower than last year:
  - 48% for 2019, 54% for 2018
> Ticket and call volume from employees requesting assistance significantly lower than first year
SOME KEYS TO SUCCESS

Proactive planning built upon lessons learned last year:

> Better end user experience by reducing known pain points
  - Simplified spousal surcharge attestation configuration in Workday
  - OE selections made easily visible in Workday available after submitting choices
  - Enhanced training for temporary customer support staff
  - Constant monitoring and direct outreach to employees with missing/incorrect dependent verification
SOME KEYS TO SUCCESS

Proactive planning built upon lessons learned last year:

> Improved Communication
  – Clarified whether employees needed to participate in OE or not – reduced confusion
  – Heavily promoted/encouraged employees to utilize online user guides and resources while making OE selections in Workday (answering anticipated questions, minimizing errors)
OE FOR 2019 – WORKDAY STATISTICS

Open Enrollment Submissions

Finalized with No Changes: 16,422 (52%)
Finalized with Changes: 15,373 (48%)

Fun Facts:
- 512 average daily submissions
- 30% of submissions occurred in first two and last two days of month

UNIVERSITY of WASHINGTON
INTEGRATED SERVICE CENTER
Three UW Benefits Fairs, in partnership with HR Benefits
Special, pre-OE “pilot program” training delivered to high-touch units
  – So successful, plans already underway to expand next year
Dedicated, special issue of UW Insider
  – Published on Thursday, rather than normal Wednesday, to coincide with first day of OE
  – Seven topic-specific, targeted articles
OE reminder posts in UW Insider at mid-point and final week
ADMIN OUTREACH & PARTNERSHIP

Helping administrators support their employees during OE:

> Overviews and demos at campus administrators’ meetings one and two months prior to OE kick-off

> Dedicated OE in Workday page customized for admins

> Information email campaign
  – Preparation email to all admins one week prior to OE kick-off
  – Dedicated “OE is Coming” issue of ISC Weekly Digest
  – Weekly email updates with OE stats, FAQs and related resources
DIRECT EMPLOYEE OUTREACH

Letting employees know about OE, any required OE action:

> “Planning for OE” email to all employees one week prior to OE kick-off
> “OE is Here” email via Workday to all employees on first day of OE
> Follow-up reminder emails to employee who haven’t started OE, or are “in progress” at mid-point and final week of OE
> Targeted emails throughout November to employees with required actions during OE:
  – FSA/DCAP enrollment
  – Spousal attestation
  – Dependent verification and marriage date
TIER 1 CUSTOMER SUPPORT

> Phone volume
>   - Final/busiest week of OE – 2,465 calls (all calls -not just OE specific)
>     > Call volume up 235% from average weekly calls
>     > But down 1,000 calls from the same week last year!

> Walk-in customer visits to ISC
>   - 1,046 customers in November (35% increase over prior month)

> UW Connect cases (emails)
>   - Total of 1,806 OE specific tickets (25% of ISC ticket volume for month of November)
>     - Almost all tickets answered and resolved in same day.
ONLINE RESOURCES

Utilization of self-service OE resources:

> OE information homepage (visits: 18,407)
> OE User Guide (visits: 4,624)
  – On average, users spent 8:03 minutes on OE User Guide page
> All other OE resources including journey maps, specific guidance, video how-tos (visits: 7,684)
One Last Benefits Item...

> To align with Washington State policy, eligible new and returning employees will now be automatically enrolled in the state’s Deferred Compensation Program (DCP).

> Eligibility to participate in the plan is not changing – only automatic enrollment is new for UW employees.

> The new policy applies to eligible employees with an effective hire date of January 1, 2019 and later.
One Last Benefits Item...

> Eligible employees will be mailed notification by the DRS of their Deferred Compensation enrollment options about 30 days after their hire date.

> Employees can opt out or makes changes during the automatic enrollment period
  – For more information: Enrolled in Deferred Compensation Plan (DCP)

> Please direct employees with questions to:
  – DCP Automatic Enrollment webpage on the DRS website
  – DRS’s Guide to Automatic Enrollment (PDF) flyer.
  – DRS Deferred Compensation Program webpage.
Workday 32
Release
Paula Ross
Workday 32

> Part of the biannual release, scheduled for March
> The ISC applications management team is currently preparing for this release by reviewing the new functionality and checking for impacts to our current configuration
> We will update you on the Admin’s Corner and on the Workday Releases Page
Annual Attendance Incentive Program (AAIP)

Erin Rice and Tram Obligacion
Eligibility

Sick time off accruing employees must meet the following requirements to participate in the program (system enforced):

> Sick time off balance is greater than 480 hours as of January 1
> Ending balance is greater than the starting balance for the year just ended
> Balance will be at least 480 hours after the cash-out
Request Process

1. Employee requests cashout using Sick Time Off – AAIP Cashout code (entry must be made in the month of January)
2. Routes to Time/Absence Approver for approval
3. Routes to Costing Allocation Coordinator to update costing allocations to assign the “Sick Leave Payoff Annual (LPA)” earning code
Sick Time off Eligible for Cashout R0404

- Flags used to show requirements and displays maximum number of hours a worker can request
- Green = requirement met, Red = requirement not met

<table>
<thead>
<tr>
<th>Worker</th>
<th>Employee ID</th>
<th>Supervisory Organization</th>
<th>Maximum Time Eligible For Cashout</th>
<th>Balance as of 01/01 Current Year</th>
<th>Balance 01/01 Minus 480</th>
<th>Sick Accrued Previous Year</th>
<th>Sick Used Previous Year</th>
<th>Sick Accrued Minus Used Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Johnson, John</td>
<td>670002037</td>
<td>Gotham City (Wonder, Boy)</td>
<td>0</td>
<td>152</td>
<td>-328</td>
<td>96</td>
<td>0</td>
<td>96</td>
</tr>
<tr>
<td>Jones, Janice</td>
<td>670002039</td>
<td>Gotham City (Wonder, Boy)</td>
<td>66</td>
<td>546</td>
<td>66</td>
<td>96</td>
<td>0</td>
<td>96</td>
</tr>
</tbody>
</table>
New FMLA Reason Code

Erin Rice and Tram Obligacion
Making intermittent FMLA easier

> 2018: employees on an approved FMLA Intermittent Leave are advised to enter “FMLA” in the comments field when submitting time off requests related to their leave.

> 2019: instead of trying to remember to add “FMLA” to the correct comments field, employees will choose “FMLA” from the “Reason” field drop down menu.
<table>
<thead>
<tr>
<th>From</th>
<th>To</th>
<th>Type</th>
<th>Quantity per Day</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/20/2018</td>
<td>12/21/2018</td>
<td>Sick Time Off</td>
<td>8 hours</td>
<td>16 hours</td>
</tr>
</tbody>
</table>

Details for: Sick Time Off

- Position: Manager of Program Operations
- Reason: 

**Total:** 16 hours - Sick Time Off
R0490 LOA Tracking Audit Report will now display “FMLA” in a new column: Time Off Reasons. This addition to the report is designed to help HR Partners and Academic Partners more readily determine the dates for which they need to enter Tracking Time Offs for employees on Intermittent FMLA.
Admin’s Corner Article: New Intermittent FMLA Reason Code for Requesting Time Offs

R0490- LOA Tracking Audit Report

Communication was also sent directly to employees currently on FMLA notifying them of the process change
Overtime and Salary Thresholds

Randy West
FLSA (Federal) Salary Threshold

> Fair Labor Standards Act (FLSA) is the federal rule (CFR 541) that sets minimum wages and rules for overtime.
> U.S. Department of Labor has announced it intends to publish proposed changes in March 2019.
> Changes are expected to the salary basis level, i.e., weekly minimum salary required for OT exempt positions.
Quick Review

Currently, to be OT exempt a position must meet a three-part test:

1. Must be **salaried** (not hourly)
2. Salary must be **at least the threshold** (currently $455/week)
   > Note: threshold is NOT pro-rated for part-time
3. Must **meet** one of the “white collar” **duties tests**
FLSA (Federal) Salary Threshold

> Current threshold is $455/week ($23,660/year)
> Threshold was set in 2004; does not automatically adjust and has not updated since 2004
> Proposed threshold in 2016 (not implemented due to legal action) was $913/week ($47,476/yr)
> New threshold proposal this year not known
> Speculation by former USDOL wage and hour official Tammy McCutchen is new level might be in the low- to mid-$30,000s
FLSA (Federal) Salary Threshold

> Once the USDOL proposal is made, HR Compensation will disseminate that information plus any timelines that are announced

> HR Compensation Office FLSA Change Project Lead:

Katie Bloom
Campus Compensation Consultant
WMWA (State) Salary Threshold

- Washington State Minimum Wage Act (WMWA) is the Washington State law (RCW 49.46) that sets minimum wages and rules for overtime in our state.
- FLSA sets the floor; WMWA may set more generous levels, such as it currently does for minimum wage.
- Washington State Dept. of Labor & Industries (LNI) is going through a rulemaking process to update the State rules.
WMWA (State) Salary Threshold

The following three slides are excerpted from a November 27, 2018 presentation by Washington State Labor & Industries staff.
Federal rules updated by USDOL in 1975.

Two duties tests:
- Long test (lower salary level, more stringent duties test)
- Short test (higher salary level, less stringent duties test)

Salary levels:
- $155 per week – long test (executive, administrative)
- $170 per week – long test (professional)
- $250 per week – short test

State rule adopted to match federal criteria in 1976.
Key elements

- The department currently intends to propose a rule that will raise the salary threshold to between 2 and 2.5 times the state minimum wage for a forty hour work week.
- The department currently intends for the updated rule to have an effective date of January 1, 2020.
Salary level

- Threshold level for executive, administrative, and professional employees
- Rule draft ties threshold to state minimum wage on a weekly basis for a full-time worker

<table>
<thead>
<tr>
<th>Multiplier</th>
<th>2019 ($12/hr)</th>
<th>2020 ($13.50/hr)</th>
<th>2021 (TBD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 times</td>
<td>$960/wk</td>
<td>$1080/wk</td>
<td>Adjusted for inflation using Consumer Price Index for Urban Wage Earners &amp; Clerical Workers (CPI-W)</td>
</tr>
<tr>
<td>2.5 times</td>
<td>$1200/wk</td>
<td>$1350/wk</td>
<td></td>
</tr>
</tbody>
</table>
Projected Numbers of Employees Below 1/1/20 Thresholds

Based on payroll data as of payroll period ending (PPE) 10/31/18.

<table>
<thead>
<tr>
<th>EMPLOYEE TYPE</th>
<th>2.0x ($56,160 annual)</th>
<th>2.5x ($70,200 annual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Staff</td>
<td>715</td>
<td>2,569</td>
</tr>
<tr>
<td>Academic Personnel (non-teaching)</td>
<td>527</td>
<td>778</td>
</tr>
<tr>
<td>Contract Classified</td>
<td>130</td>
<td>579</td>
</tr>
<tr>
<td>Classified Non-Union</td>
<td>10</td>
<td>32</td>
</tr>
<tr>
<td>ICA Coaches</td>
<td>11</td>
<td>34</td>
</tr>
<tr>
<td>Post-Bac Appts</td>
<td>31</td>
<td>31</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>1,424</strong></td>
<td><strong>4,023</strong></td>
</tr>
</tbody>
</table>
WMWA – What We’ve Done

- Participated in the first and second listening sessions on October 16, 2018 and November 27, 2018.
- Provided formal feedback to LNI’s draft concept in October and to first pre-draft rules in late October 2018 and to revised pre-draft rules in December 2018.
- Coordinated feedback to LNI with the Interinstitutional Personnel Officers Committee (IPOC: UW, WSU, Central, Eastern, Western, Evergreen, State Community & Technical Colleges).
- Conducted costing analysis.
WMWA Salary Threshold – Key Dates

> 2018
  – October 16 – Feedback session on draft concepts
  – November 27 – Feedback session on second pre-draft rules
  – December 14 – Deadline for comments on second pre-draft rules

> 2019
  – By end of January 2019:
    – LNI issues CR-102, initiates public comment period
    – Evaluate exempt jobs that receive O/T or S/T
    – TBD – Next draft of rules
    – TBD -- Public hearings

> 2020
  – January 1, 2020 – Proposed date rules take effect
WMWA – Key Choices

Increase pay to maintain exemption or let the employee become OT eligible?

<table>
<thead>
<tr>
<th>Increase Employee Pay to Maintain Employee OT Exemption</th>
<th>Allow Employee to Become Overtime Eligible and Manage Employee Overtime</th>
</tr>
</thead>
<tbody>
<tr>
<td>• January 1, 2020 - Raise an impacted employee’s pay to the minimum threshold in order to maintain exemption from overtime.</td>
<td>• Inform employees of the change in their OT eligibility.</td>
</tr>
<tr>
<td>• January 1, 2021 and after - Raise an impacted employee’s pay every January by the rate of inflation to the minimum threshold in order to maintain exemption from overtime.</td>
<td>• Instruct formerly OT exempt employees to:</td>
</tr>
<tr>
<td></td>
<td>o Begin tracking their hours worked</td>
</tr>
<tr>
<td></td>
<td>o Only work over 40 hours in a workweek if they have prior approval (or over 8 in a day and 80 in a workweek at the hospitals)</td>
</tr>
<tr>
<td></td>
<td>• Also inform employees they are no longer eligible for supervisor-approved partial-day absences.</td>
</tr>
</tbody>
</table>
WMWA – Key Choices

> Should an employee’s position be reviewed?
If an employee’s job profile does not match their actual duties, a position review and pay change may be appropriate.

> Will some departments evaluate staffing levels and expenses and prepare for potential layoffs?
Layoffs could result from increased salary costs in response to the rule changes.
Equal Pay Opportunity Act

Michael Campbell and Randy West
WA Equal Pay Opportunity Act

> HB 1506 updates Washington’s 1943 Equal Pay Act
> Promotes gender pay equity through:
  – Equal pay
  – Equal career advancement opportunities
  – Open wage discussions
  – Prohibited retaliation
> Provides equal protections under the law to workers in WA State, regardless of gender
> Effective June 7, 2018
WA Equal Pay Opportunity Act – Equal Pay

> Prohibits discrimination in pay based on gender between “similarly employed” employees

> “Similarly employed” means:
  – Requires similar skill, effort, and responsibility
  – Performed under similar working conditions
  – Job title not determinative
WA Equal Pay Opportunity Act – Equal Pay

- Pay differential may be acceptable if:
  - Consistent with business necessity
  - Not gender-based
  - Based on job-related factors accounting for the differential:
    > Education, training, experience
    > Seniority or merit system
    > Regional difference in compensation
    > Earnings measured by production
- Prior pay history is not a bona fide factor
WA Equal Pay Opportunity Act – Career Advancement

> Equal access to advancement opportunities and training

> Differences in career advancement opportunities may be acceptable if based on a bona fide job-related factor
WA Equal Pay Opportunity Act – Open Discussion

- Employees are free to disclose their wages

- Employees are not required to disclose their compensation. They have the protected right to disclose their wages if they choose to.

- Employers may prohibit employees who have access to compensation information, as a part of their essential job function, from disclosing wages of other employees.
WA Equal Pay Opportunity Act - Nonretaliation

> No retaliation against employee for exercising their rights under EPOA:
  – Asking the employer to provide a reason for their wages or lack of opportunity for advancement.
  – Inquiring about, disclosing, comparing, or discussing their wages or the wages of another employee.
  – Aiding or encouraging an employee to exercise their rights under the law.
  – Filing a complaint or exercising protected rights under the law.
Other laws

- Equal Pay Act of 1963 (federal):
- WLAD
Responding to Pay Equity Law – Salary History

> Eliminate questions regarding salary/pay history in the Recruiting/Hiring Process
  – UWHIRES Assessments
  – Interview Questions
  – Workday (Internal Applicants)

> Update the Interviewing Guidelines
  – https://hr.uw.edu/talent/hiring/interview-tips/interviewing//
### Desired Compensation

<table>
<thead>
<tr>
<th>ID</th>
<th>Recruited by</th>
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<th>Updated</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>07/21/2006</td>
<td>01/01/2019</td>
</tr>
</tbody>
</table>

**Status:**
- Available Date: 01/21/2019

**Desired Compensation:** 70,500

**Referral History:**
- 11/07/11  | Website
-           | Indeed
-           | WebUser
Responding to Pay Equity Law – Salary Setting

Salaries should be set based on:

> Position requirements and applicant qualifications
> Market ranges
> Internal equity

HR Compensation and HR Employment staff can assist hiring managers
Questions?

> Contact your HR Consultant
> UWHR Compensation Office
> L&l website: Equal Pay Opportunity Act
> Fact sheet: Employee Rights to Equal Pay and Opportunities
QUESTIONS?
Contact the ISC Services Support Team