

Atrium Health Floyd Paid Time Off (PTO) Update Frequently Asked Questions February 2024

Will there be changes to PTO accrual rates in 2024?

The current maximum PTO bank accruals and accrual rates will remain the same through 2024.

Can I accrue PTO beyond the annual maximum accrual rate?

No, you will not be able to accrue beyond your annual maximum accrual rate. You will need to use your PTO and have a total number of hours below your maximum in order to accrue more PTO.

How does the PTO Cash Out Program work?

PTO Cash Out allows teammates to cash out PTO twice in the calendar year. Eligible teammates must maintain a minimum of 80 hours of PTO in their bank to receive a payout. Teammates may sell a minimum of 8 hours and a maximum of 80 hours at a time. Teammates may cash out PTO hours a maximum of two times per year, totaling up to 160 hours.

Are there any changes in the 2024 PTO Cash Out Program?

Effective March 24, PTO Cash Out will be paid out at 90% of its value in accordance with IRS rules. The March 24 effective date was chosen to align with symplr® Workforce implementation at Atrium Health Floyd. Teammates must elect cash out by March 11 to receive payout at 100%.

What is the IRS rule that applies to cash out?

IRS “constructive receipt” rules apply to employers’ PTO Cash Out programs. These rules are complex and relate to how employees could be taxed for PTO they may accrue or are paid out.

- In the IRS’ view, accrued PTO is “made available” to an employee if the employee can choose to cash out the value of the PTO for immediate payment (i.e., in the same year). Not only is the amount cashed out “available” to the employee, the IRS considers the employee’s entire PTO bank to be “available” to the employee if the employee can choose a same-year cash out from their PTO bank.
- In other words, if you are allowed to make an election and receive a cash out payment of your accrued PTO in the same year, the IRS rules say that you should be taxed on all your accrued PTO, even the PTO hours that you choose not to cash out.

In order to NOT tax our teammates when they accrue PTO, cash out is paid at 90% of its value. By applying this limitation, the full value of PTO isn’t “available” to teammates when they accrue it. Without the reduction in cash out, teammates would be taxed on all accrued PTO.

How do I elect PTO Cash Out before symplr® Workforce goes live on March 24?

You must elect PTO Cash Out by March 11 for it to be paid out at 100%. To elect cash out before symplr® Workforce implementation on March 24:

1. Go to Kronos from the **Take me to** dropdown at the top of PeopleConnect.
2. Click the **Accruals** tab at the bottom of the page.



Now part of  **ADVOCATE HEALTH**

How will I be paid for PTO Cash Out I elect in Kronos between March 12 and 23?

PTO Cash Out elected in Kronos between March 12 and 23 will be paid out at 90% of its value in accordance with IRS rules. Teammates must elect cash out by March 11 to receive payout at 100%.

How do I elect PTO Cash Out after March 24?

Beginning March 24, you may begin to elect PTO Cash Out in symplr® Workforce. Look for future symplr® Workforce communications for symplr® Workforce job aids.

Besides PTO Cash Out, are there other ways to use my PTO?

Yes, you can donate your PTO through the PTO donation program. Please review the [Atrium Health Floyd Paid Time Off policy](#).



Now part of  **ADVOCATE HEALTH**