

# Paid Parental Leave Program

## **Virginia Housing**

Management Innovation: Human Resources

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Virginia Housing

# 2024 NCSHA Award Submission

**Entry Category:**

Human Resources

**Entry Name:**

Paid Parental Leave Program, Human Resources



## Overview

Virginia Housing is committed to providing a robust benefits portfolio to attract new talent and retain our existing associates. This program was enacted as a part of an overall total rewards program that keeps pace with those benefits being offered in the market. Further, given the changing demographics of the workforce, it is imperative that our benefits complement our overall employee value proposition.

## Why It was Undertaken

Previously, the (birthing) associate received benefits covered under the short-term disability policy or requested paid time off. While some are fortunate to have accumulated sufficient paid time off to cover a limited period of time off, most do not have enough time to cover both the prenatal care and post-natal recovery that new parents face. This placed associates in the unfortunate position of having to take time off without pay, particularly during the critical bonding period that new parents face.

Additionally, there are circumstances which sometimes place individuals in the position to step in the place of birth parents – i.e. foster parents, custodial placements, etc., and there are times when this cannot be planned. More often than not, there are critical situations that may occur which require an associate to step in the place of a parent on an emergency basis. The protections available to most under the Family Medical Leave Act (FMLA) may not apply under these circumstances.

Lastly, candidates expect organizations to have this benefit, regardless of whether they plan to take advantage of it. As organizations continue to compete for talent, Parental Leave programs are consistently referenced as a market differentiator for employers of choice amongst candidates. Our associates have voiced this same concern over the last several years through associate surveys.

## Purpose of Parental Leave

Virginia Housing recognizes the importance of family life and the various stages of life. We wanted to implement a plan which:

1. Expand the plan to include birthing and non-birthing situations. The Virginia Housing plan includes adoption, fostering, and custodial care situations.
2. Reduce the need for associates to be out of the office and receive no pay in order to bond and/or take care of a new family member. Our plan allows for:
  - a. 4 weeks of paid leave and 2 weeks of unpaid leave for a single birth/placement/adoption
  - b. 8 weeks of paid leave and 4 weeks of unpaid leave for multiple children.
3. Expand the use of the plan to be more than the traditional 'bonding' time. The Virginia Housing Parental Leave plan allows associates to use the time for bonding, setting up day care, attending court sessions, registering for school and various doctor's appointments for up to one year after the event. The event is defined as birth, foster placement, or custodial assignment of a child/children less than 17 years of age.

## What We Accomplished

By implementing a Parental Leave plan, we have become a much more competitive employer. We asked, and we listened to the feedback provided by potential candidates and our internal associate workforce. We are committed to making Virginia Housing a more balanced workplace that understands and provides appropriate plans to assist associates in their day-to-day life.

## Why it is Meritorious and Meets NCSHA Award Judging Criteria

1. **Recruitment:** Paid Parental Leave has assisted Virginia Housing in closing its recruitment gap. The talent market has increased significantly over the last 5 years. Differentiators make the difference between applicant choices.
  2. **Retention:** Reducing barriers for parents to maintain existing income levels while they deal with bonding and childcare concerns is a key retention tool.
  3. **Diversity:** The Parental Leave plan expands the definition of **parent** and the needs various families require when adding family members. Our plan expands beyond the traditional maternity only cases. It is broader to all types of situations for which families are experiencing new family member impacts.
  4. **Employee Satisfaction:** This policy has been requested for a number of years by associates. Most recently it appeared as the most requested benefit within our associate benefits survey. Having the ability to provide this key provision has increased the level of satisfaction across the board.
1. **Innovative:** The Parental Leave plan expands the definition of **parent** and the needs various families require when adding family members. It provides a much-needed safety net for parents who find themselves in an unexpected parenting situation via emergency custodial placement. It also allows parents to plan for the changes to their financial situation by alleviating the choice many parents face between bonding with their child and going without pay.
  2. **Responds to an Important State Need:** Paid parental leave improves the health and well-being of parents and children. It improves morale and overall employee retention. Further, allowing the parent more time to bond with their child is also linked to reduced depression rates, increased breastfeeding rates, and decreased infant mortality rates. Childcare costs can be one of the largest expenses faced by parents. Paid Parental Leave allows for a period of reduced childcare costs.
  3. **Achieves Intended Results:** Since the implementation of the paid Parental Leave Program, we have seen a variety of use cases.
  4. **Provides Benefits that Outweigh Costs:** We manage this program in-house. While there are vendors who do provide the administrative services to companies, we decided to maintain this program internally so that we can provide a level of dedicated service associates need during what could be a challenging time.
  5. **Can be Easily Replicated:** The Paid Parental Leave Program can be replicated by others. Many, if not all, states, offer some form of paid leave. We modified our existing leave types to include this leave. The policy was anchored in the Family Medical Leave Act which is already a federal law which most employers must follow. The replication comes in the form of tailoring the policy to meet the needs of the population.

## Conclusion

The proof is in the pudding. We have received extremely positive feedback from both applicants to Virginia Housing and current associates. Managers and associates are able to plan together for the time needed away from work. Productivity has not suffered. If anything, this benefit has increased the level of engagement for new parent.

"Every time a woman leaves the workforce because she can't find or afford childcare, or she can't work out a flexible arrangement with her boss, or she has no paid maternity leave, her family's income falls down a notch. Simultaneously, national productivity numbers decline." – Madeleine Kunin.

## Appendix

**Virginia Housing's Benefits Now Include Paid Parental Leave**

Virginia Housing associates may take up to 160 hours of paid and 80 hours of unpaid leave upon the birth, adoption or placement of a child in their family.

[Read More](#)

A photograph showing a man in a dark blue shirt holding a baby in a striped shirt. They are in a room with a wooden crib in the background. The man is looking at the baby with a smile.

### Associate Impact Statement:

In an effort to share some of the parental leave benefit features, Director of Human Resources Services Leslie Wampole spoke with Associate Loan Program Underwriter Liz Wells, an associate who recently put Virginia Housing's parental leave plan to use when she experienced an immediate need to assume custody of a young nephew. The following are some key points that Liz wanted to share about her experience:

**Leslie Wampole, Director of Human Resources Services:** What was your experience with initiating leave?

**Liz Wells, Associate Loan Program Underwriter:** The process was so easy. I contacted HR, provided the documentation to support the custody of my nephew and received the approval. Within a day, I had the available hours populated in Dayforce for which I could request the time off.

**Leslie:** What's been the advantage of being able to use the time on an as-needed basis?


**Liz:** I have the opportunity to use this leave time through December 2024, and can use it for various doctor's appointments, additional court hearings, registering for school and daycare programs, therapy sessions and various other essentials for my nephew.

**Leslie:** How has this new benefit helped in other ways?

**Liz:** Although this is a family member, he's never lived with me. This parental leave time is valuable for me to bond with him as his new guardian and really learn to live together.

**Leslie:** Any last comments?

**Liz:** I just want to say thank you for providing this (benefit) for us. This is a huge help to us. Another reason to love Virginia Housing!




**Parental Leave Policy** – Paid leave for associates for the birth or adoption, foster, or custodial placement of a child

In 2023 Benefits Survey at VHDA, 31% of respondents indicated a Parental Leave policy is important now with an additional 23% in the future.

Virginia Housing has experienced 6 FMLA cases related to parental leave during calendar year 2023, with another 3 cases before Dec. 31st.

The proposed options are largely based on Commonwealth of Virginia parental leave benefits.



## Market Research

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- Average number of weeks offered for parental leave is between 12 to 16 weeks.
- Mercer estimates that roughly 40% of organizations offer some form of parental leave, with a growth rate of 5% per year over the last 3 years.
- Currently, Virginia offers 8 weeks of paid parental leave to their employees. North Carolina state employees receive 12 weeks of paid parental leave. The District of Columbia requires 16 weeks of unpaid pregnancy disability leave and 12 weeks of unpaid parental leave. However, DC also requires employers to offer sick leave to employees.



## Proposal

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- Modeled after Commonwealth of Virginia policy
- Provides eligible associates with up to eight (8) weeks (320 hours) of paid parental leave for use within twelve (12) months of:
  - Birth of an infant *or*
  - Adoptive, foster, or custodial placement of a child under the age of eighteen (18)
- Provides an additional four (4) weeks of unpaid leave taken after the paid 8 weeks
  - An additional option is to use all or part of this 4 week period to transition back to the office by working a reduced schedule before returning to prior schedule
- Parental Leave will begin after the completion of an approved short term disability event
- In the event of multiple births, parental leave will be extended to twelve (12) weeks of paid leave with the additional 4 weeks of unpaid leave



## Proposal

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- Eligibility criteria
  - Associate is in a full-time or reduced hour full-time position upon the birth or placement of the child
  - Associate must be eligible for Family and Medical Leave (FMLA):
    - Must have been employed by Virginia Housing for a minimum of twelve months in the past seven years
    - AND must have worked for at least 1,250 hours in the previous 12-month period
- If both parents are qualifying Virginia Housing associates, the couple will share the total of 8 weeks paid, 4 weeks unpaid
- Leave must be used within twelve (12) months
  - Unused leave is forfeited and is not compensable if the associate separates from employment



## HR620 Parental Leave Policy

EFFECTIVE DATE: 01/01/2024

OWNER: Managing Director of Human Resources

### PURPOSE

#### Introduction

It is Virginia Housing's objective to clarify the intent of parental leave and how it is administered.

Virginia Housing recognizes the importance of family. Parental leave provides time for new parents to care for their children. The goal is to give associates of all genders the ability to balance family responsibilities with their careers and take the time needed to strengthen family relationships.

### STATEMENT OF POLICY

Parental leave is defined as leave provided for the purposes of birth, adoption, and/or placement of one or more children. Virginia Housing will provide 4 weeks of paid parental leave plus an additional 2 weeks of unpaid parental leave to eligible associates. In the event of the birth/adoption/placement of 2 or more children, the associate will receive 8 weeks paid and 4 weeks unpaid parental leave. If both parents are qualifying Virginia Housing associates, the couple will share the total of 4 weeks paid, 2 weeks unpaid. In the case of Reduced Hour – FT associates, leave amounts are provided in proportion to the number of hours worked.

Type of Event	Amount of Paid Leave	Amount of Unpaid Leave
Single Child	4 weeks of paid leave	2 weeks of unpaid leave
Multiple Children	8 weeks of paid leave	4 weeks of unpaid leave
Both Parents Employed by VH Housing – single child	4 weeks of paid leave – shared between both parents	2 weeks of unpaid leave – shared between both parents
Both Parents Employed by Virginia Housing – multiple children	8 weeks of paid leave – shared between both parents	4 weeks of unpaid leave – shared between both parents

