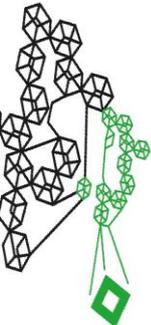
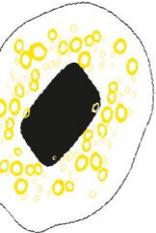


# Leaflet Optional Model for Employment Conditions 2022



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## WHAT IS THE OPTIONAL MODEL FOR EMPLOYMENT CONDITIONS?

The Optional Model for Employment Conditions gives you the possibility to choose the composition of your own terms of employment package, within certain limits. You can exchange certain employment conditions for other employment conditions. The terms of employment that are used to exchange are referred to as 'sources'. The 'targets' are the terms of employment that you will benefit from instead. This enables you to personalise your own terms of employment according to your needs.

## WHO CAN PARTICIPATE?

All University of Twente staff members can use the Optional Model for Employment Conditions. Exceptions include: on-call workers, UT-Flex'ers, Opting-in-ers and staff who are on special leave for the whole of their employment during the entire calendar year. Also Staff members who are making use of the 30% ruling scheme are excluded from the Optional Model for Employment Conditions.

## HOW DO YOU ACCESS THE OPTIONAL MODEL FOR EMPLOYMENT CONDITIONS?

The Optional Model for Employment Conditions can be found in MyHR/Afas under 'Optional Model for Employment Conditions'. Here you will find the options that you can choose from. For each option, you can indicate which source(s) you want to use.

## WHEN CAN YOU CHOOSE YOUR OPTIONS?

You can choose your targets throughout each calendar year, with the exception of the period between 10 December and 3 January when the Optional Model is closed for maintenance. You do not need to choose all your targets at once. For example, you can choose the target 'trade union contribution' in March and in October you choose a bicycle (as long as all the requirements are met). If you wish to use your holiday allowance from this year for a specific option, you need to do this before 1 May to ensure that it will be processed along with May's salary payment. If you wish to use your end-of-year bonus from this year for a specific option, do this before 1 December.

**Once your choices have been confirmed in MyHR/Afas, no further changes or additions can be made. Exceptions to this are the buying and selling of holiday hours:**

### *Example*

*You buy 40 hours of holiday hours in April, and later decide to buy 40 more holiday hours in August, which takes you to the maximum permitted 80 hours of holiday hours per year. The same principle applies to selling holiday hours in exchange for extra salary. You can also sell the holiday hours in batches, up to a maximum of 38 hours holiday hours per year.*

## HOW DO YOU REGISTER YOUR CHOICES IN THE SYSTEM?

You can log your choices by using [MyHR/Afas](#). After this has been accepted and approved, your choice will be recorded in your personnel file.

## CONSEQUENCES OF PARTICIPATION FOR EMPLOYEE INSURANCE AND



## OTHER SCHEMES

The use of the source 'money' will lead to a reduction in your (taxable) income. This can affect the level of any incapacity or unemployment benefit that you are entitled to in the future, as well as your tax allowances.

### INCAPACITY BENEFIT

If you are incapacitated for work for some reason, the benefit you receive is based on the average income that you earned in the year before you became incapacitated. If you have used your salary, holiday allowance or end-of-year bonus as a source in the Optional Model within that last year, this can affect the amount of benefit you are entitled to.

### UNEMPLOYMENT BENEFIT

Unemployment benefits are based on the average income earned in the year before the date on which you become unemployed. If you used your salary, holiday allowance or end-of-year bonus as a source in the Optional Model within that last year, this can affect the amount of benefit you are entitled to.

### OTHER REGULATIONS

An increase or decrease in your taxable salary can affect the many benefits that are based on this, such as healthcare allowance, housing benefit and study grant.

It is therefore recommended to consider the consequences of your chosen combination of options carefully. It is also possible that changes to regulations could lead to unforeseen disadvantages. The university cannot be held responsible for these. Responsibility for the choices you make rests with you. Once you have confirmed your options, these cannot be changed afterwards.

## WHICH SOURCES CAN YOU USE?

You can choose from two different 'sources' within the Optional Model:

- Hours
- Money

It is also possible to combine both sources.

### SOURCE: HOURS

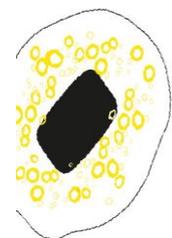
'Hours' means the non statutory holiday hours (i.e. holiday hours) of the calendar year in question. Compensation hours can also be used but only to contribute towards one target: the long-term saving model.

### NUMBER OF HOURS

You can only use holiday hours that you are entitled to in the current calendar year. You cannot use 'old' holiday hours; nor can you use holiday hours that you will receive in a future calendar year.

Hours may not be used for the targets 'trade union contribution' or the 'contribution for professional association'.

There is an upper limit on the number of holiday hours that can be used in one calendar year. That upper limit is 76 holiday hours for all the options in the optional model combined. For example, if you choose to use 20 holiday hours for the target of 'Extra Salary', you could then use a maximum of 56 holiday hours for a bicycle.



An exception to the maximum of 76 holiday hours has been made for the long-term saving model. For the long-term saving model, in addition to the 76 holiday hours, you can use another 72 holiday hours and/or compensation hours extra. That brings the maximum number of hours that can be saved for the long-term saving model to 148 hours per calendar year. The minimum contribution to the long-term saving model is 38 hours.

**Please note!**

If you want to use (part of) your compensation hours for the Long-term saving model, do so at the beginning of the calendar year when you still have access to compensation hours. After all, the hours will be deducted from the first to expire balance; first compensation hours and then the holiday hours 2022. If you have already booked a holiday, it is possible that compensation hours have already been written off for that and then there are only holiday hours left to be used.

*Example*

*If you use 70 holiday hours for a bicycle, you can still use 6 holiday hours plus 72 compensation hours for the long-term saving model. Of course, you could also choose to use less than the maximum number of hours allowed, or choose not to use 'hours' as a source at all.*

For the target of 'Extra Salary' you can use a maximum of 38 holiday hours.

**Please note!**

Staff who do not register leave in MyHR/Afas cannot use holiday hours in the Optional Model, because it is not possible to determine their total leave entitlement (holiday hours plus compensation hours). If you have used hours in a particular calendar year and at the end of that year it appears that you have not registered any leave, the value of the hours used will be deducted from your salary in the following calendar year.

**VALUE OF ONE HOUR**

When you convert the source 'hours' into a monetary option (e.g. extra salary or bicycle), the value of one holiday hour amounts to 0.704% of your monthly salary based on full-time employment. This percentage includes holiday allowance and the end-of-year bonus. Bonuses and so on are not included. The calculation is based on your salary at the moment when you finalise your choices in the Optional Model.

If you use the source 'hours' for the long-term saving model, these hours will retain the same value. If you have saved 60 holiday hours per year for sabbatical leave for three consecutive years, for example, and you take sabbatical leave in the following calendar year, you can use 180 holiday hours for this.

**SOURCE: MONEY**

You can use money for one or more target(s). The source 'money' is made up of three different components:

- Salary: this refers to your salary according to the collective labour agreement salary.
- Holiday allowance: this amounts to 8% of your annual salary.
- End-of-year bonus: this amounts to 8.3% of your annual salary.

**DEDUCTION**

If you use money as a source, this can be deducted in different ways:

- In one or more term(s) from your salary;
- From your holiday allowance;
- From your end-of-year bonus;
- Or a combination of the above ways.

#### Example

*In the month of April, you decide to deduct money from your holiday allowance in order to purchase a bicycle. Your gross holiday allowance will be reduced by the total amount spent on the bicycle in May. No payroll taxes are payable on the amount that is deducted from your gross holiday allowance, so overall you will save money. Suppose the bicycle costs €1,500.- and the payroll taxes amount to 40%. The net saving is €600.-. This means the bicycle costs you €900.- instead of €1,500.-.*

*In this example, a fictitious rate of tax has been used for illustration purposes only. The amount you actually save will depend on your annual salary and the tax rate payable.*

The holiday and end-of-year allowance are taxed at a special rate. If your annual income is less than €69,398.-, the net benefit is higher when using holiday allowance or end-of-year bonus instead of the salary. The salary is taxed at the regular rate.

#### Please note:

When you use 'salary' as a source, your salary may not be below the statutory minimum wage for the month in question. If this is likely to be the case, the amount will be spread over two or more months.

#### VALUE OF ONE HOUR

If you exchange money for a target that is measured in time (for example, extra holiday hours) one hour is equal to 0.704% of your monthly salary based on full-time employment. That percentage includes the holiday allowance and the end-of-year bonus. The calculation is based on your salary at the moment when you finalise your choices in MyHR/Afas.

There is a maximum number of holiday hours that you can purchase: 80 hours per calendar year. This means that you can buy, for example, 40 holiday hours to save for a period of sabbatical leave in the long-term saving model and buy 40 extra holiday hours. It is not possible to buy 80 holiday hours to save for sabbatical leave and also buy 80 extra holiday hours, for example.

#### WHAT OPTIONS CAN YOU CHOOSE FROM?

The following targets can be selected:

- Extra holiday hours.
- Additional salary.
- Bicycle.
- Trade union contribution.
- Professional association contribution.
- Long-term saving model.

You can choose multiple targets. For each target, you can indicate whether you want settlement with your salary, your holiday allowance, your end-of-year bonus or using holiday hours (where possible). If you want to cover a target using your holiday allowance, you need to specify this before 1 May. If you want to cover a target using your end-of-year bonus, you need to specify this before 1 December. A combination, such as covering an option partly using your holiday allowance and partly with your end-of-year bonus, is also possible.

### OPTION: EXTRA HOLIDAY HOURS

If you would like more holiday hours, you can purchase a maximum of 80 extra hours per year. The minimum number of holiday hours you can buy is 8. You can purchase extra holiday hours using your salary, holiday allowance and/or end-of-year bonus. The value of one hour is 0.704% of your gross monthly salary based on full-time employment. This percentage includes 8% holiday allowance and 8.3% end-of-year bonus.

After processing your chosen option, the holiday hours you have purchased will be added to your balance of holiday hours immediately. They are added to your non-statutory holiday hours of the calendar year in question.

Permission from your manager is required to purchase holiday hours. You must therefore consult your manager before choosing this target.

### OPTION: ADDITIONAL SALARY

You can use a maximum of 38 holiday hours for the option of 'Additional Salary'. You are 'selling' holiday hours. Payroll tax is paid on the gross value of the holiday hours.

### OPTION: BICYCLE

You can use money and/or a maximum of 76 holiday hours to buy a bicycle, including bicycle insurance, in a fiscally advantageous way.

### OVERVIEW OF TERMS

- You must use the bicycle to travel (part of) the route between your home address and work address.
- To choose the bicycle option in MyHR/Afas, your remaining period of employment must be at least 11 months.
- The bicycle can be purchased during the current calendar year from one of the participating bicycle dealerships (TSR), but no later than week 50; otherwise, the amount can no longer be deducted in the current calendar year.
- The tax benefit when purchasing a bicycle (including bicycle insurance) is based on a maximum of €1,500.- (incl. VAT).
- The bicycle may cost more than €1,500.-, but you will need to make up the difference out of your own pocket.
- You can note a maximum value of €1,500.- in MyHR/Afas. If the bicycle (including bicycle insurance) costs less than €1,500.-, you should note this lower amount in MyHR/Afas.
- You can only choose the option of 'Bicycle' once every 4 calendar years. If you purchased a bicycle under the old scheme (where the deposit was max €749.-- ) you can purchase a new

bicycle after 3 years (by way of one time exception).

## **POSSIBILITIES**

There are two options for purchasing a bicycle: purchase through a TSR dealer or purchase through another dealer or website. The differences are explained below.

### **Purchase from a TSR dealer**

The UT has a partnership with TSR (Twentse Cooperating Bicycle Dealers). This gives you a number of advantages:

- The UT pays the invoice directly to TSR. You do not have to pay for the bicycle (or with a bicycle more expensive than €1,500.-, the first €1,500.-) yourself.
- You will receive a bicycle computer completely free of charge.
- You will receive one free maintenance.
- For every spend of €99.- you will receive a voucher of €10.- that you can spend at the bicycle dealer. You will receive a maximum of 7 vouchers and these have a validity of 3 years.

Click [here](#) for an overview of the bicycle dealers that are affiliated with TSR.

What should you do:

1. Check whether you meet the conditions to be allowed to use the 'bicycle' target.
2. You go to a TSR dealer and pick out a bicycle. This can be done throughout the year, but at the latest before week 50, otherwise settlement can no longer take place in the current calendar year. This bicycle is registered on site in the TSR portal.
3. You then register the purchase of your bicycle via MyHR / Afas . Do this as soon as possible, because the order will only be placed after registration in MyHR / Afas .
4. Your registration in MyHR / Afas and the registration TSR are compared and approved.
5. Your choice is recorded in your personnel file. Your bike can be delivered.
6. The invoice for the bicycle is sent directly to UT by the TSR bicycle dealer.
7. The purchase of your bicycle will be settled via the source(s) of your choice.

*Example 1: You buy a bicycle in April. You use €720.- for this. The UT pays the invoice. You have opted for settlement via your holiday allowance. This settlement will take place in May.*

*Example 2: One holiday hour has a gross value of €14.25. You buy a bicycle for €570.-. So you have to give up 40 holiday hours to finance the bicycle.*

### **Purchase from another dealer**

It is also possible to purchase a bicycle through a web shop or through a bicycle dealer that is not affiliated with TSR. However, the benefits that you receive if you purchase the bicycle via TSR do not apply. In addition, you must pay for the bicycle yourself with the bicycle dealer after your application has been approved

What should you do:

1. Check whether you meet the conditions to be allowed to use the 'bicycle' target.
2. You order a bicycle via a web shop or bicycle dealer. When ordering or receiving the bike, you will pay for it yourself
3. You then register the purchase of your bicycle via MyHR / Afas and ensure that the personalised invoice and proof of payment for the purchase of the bicycle is uploaded. *Note: The invoice must clearly state the type of bicycle. The invoice must also have your name on it and a copy of the payment receipt must show that the bicycle has been paid for by you. If you*

*do not meet these criteria, we cannot proceed the settlement of the bicycle. You are responsible for this yourself.*

4. After approval of the application, you will receive the purchase of the bicycle up to an amount of €1,500.- with the next salary payment.
5. From that moment on, the purchase of your bicycle will be settled via the source(s) of your choice.

*Example 1: You buy a bicycle in April. You use €720.- to do this. When ordering or delivering the bicycle, you pay €720.- to the supplier. After approval of the application, you will receive €720.- from your salary with the next salary payment. You have opted for settlement via your holiday allowance. This settlement will take place in May and your holiday allowance will be reduced by €720.-. No payroll tax is charged on this amount.*

*Example 2: One holiday hour has a gross value of €30.-. You buy a bicycle for €1,200.-. So you have to give up 40 holiday hours to finance the bicycle. After approval of the application, 40 holiday hours will be debited from your leave card and you will receive €1,200.- paid via your salary.*

## OPTION: TRADE UNION CONTRIBUTION

**Please note:**

**You cannot use holiday hours as a source for this target.**

### HOW DOES IT WORK?

To be eligible for the target trade union contribution, you must be a member of a trade union and also pay contribution for the entire calendar year. The following organisations fulfil this requirement:

- FNV (Overheid);
- CNV (Overheid);
- AC/FBZ;
- Aob.

You enter the annual contribution and upload a proof that you have paid your contribution to a trade union for the entire calendar year. Checks are carried out at random. You cannot use holiday hours, but you can choose whether you want to offset this using your holiday allowance, end-of-year bonus or salary.

**Please note!**

You can choose this only once for all unions within a year. So make sure you have all the data at hand when entering your choice.

### HOW DO YOU BENEFIT?

Suppose the annual contribution for your trade union is €120.-. You decide to cover the full €120.- using the Optional Model and choose to deduct this from your end-of-year bonus. Payroll taxes are 40%. As a result of your choice, your gross end-of-year bonus will be reduced by €120.-, but your net end-of-year bonus will decrease by only €72.- (€120.- -/ - 40% tax). Your trade union contribution was €120.-, and you have therefore saved €48.-.

## OPTION: CONTRIBUTION FOR PROFESSIONAL ASSOCIATION

### Please note!

You cannot use holiday hours as a source for this target.

To be eligible for the target contribution for a professional association (e.g. KIVI-NIRIA), you must be a member of such an association for the entire calendar year. The membership must be personal to you, and you must be billed for the membership fee yourself. If your faculty or service department reimburses you for this, you may not choose this option. There must be a clear relationship between your membership and the position you hold at the university.

### HOW DOES IT WORK?

You enter the annual membership fee for the professional association and provide proof that you have paid a membership fee for the entire calendar year. Checks are carried out at random. You cannot use holiday hours as a source, but you can choose whether you want to offset this using your holiday allowance, end-of-year bonus or salary.

### HOW DO YOU BENEFIT?

Suppose the annual contribution for your professional association is €240.-. You choose to cover the full €240.- using the Optional Model and to deduct this from your holiday allowance. Payroll taxes are 40%. As a result of your choice, your gross holiday allowance will be reduced by €240.- but your net holiday allowance will decrease by only €144.- (€240.- -/- 40% tax). Your membership contribution was €240.- and you have therefore saved €96.-.

### Please note:

You can choose this only once for all your professional associations within a year. So make sure you have all the data at hand when entering your choice.

## OPTION: LONG-TERM SAVING MODEL

You can save leave for:

- Sabbatical leave
- Long-term leave (which you can use as you see fit)
- A reduction in your weekly working hours

If you choose to use the long-term saving model option, you will need to save for between 3 and 5 consecutive years. This is a long-term commitment, so you need to make agreements with your manager over the timing and duration of your leave period before you start saving. For example, it is conceivable that your manager may decide that normal operations would be disrupted if you were to take an extended period of leave. In addition, you will need to save at least 38 holiday hours annually, regardless of how many hours you actually work for. You can only save a maximum of 148 hours in the long-term saving model. In addition to the 76 holiday hours that you can use in the Optional Model, you may also use 72 extra holiday hours and/or compensation hours specifically for this target.

### Please note!

Choose this target at the beginning of each calendar year, so that, if desired and possible, you still have sufficient balance in compensation hours to be able use these hours for this target.



If you wish, you can buy extra holiday hours that you save in the long-term saving model. If you wish to buy hours to use in the long-term saving model, you must first select the target of 'extra holiday hours'. Once you have purchased the extra holiday hours, go to the long-term saving model to enter these hours. Make sure you do this within the same calendar year.

The holiday hours that you save will then be reserved for the long-term saving model in the leave system. If you wish to buy extra holiday hours for the long-term saving model, you will need permission from your dean or director. Saving hours from your regular non statutory holiday hours of calendar year in question is certainly possible.

Specific terms and conditions apply to each component of the long-term saving model:

### **SABBATICAL LEAVE**

Sabbatical leave is an extended period of leave during which you focus on your own employability. If you work on your employability in a specific or general sense during your sabbatical leave, and this benefits the organisation in some way, you may receive a bonus in the form of time and/or money. The amount of that bonus is between 80 and 160 hours of holiday leave, and in cash terms it is between €1,000.- and €3,000.-. You will need to make agreements with your dean or director regarding the details of the leave, its duration, the amount payable and any other conditions. The dean or director will decide on the amount and may specify further requirements or conditions.

In cases where only part of the sabbatical leave has been saved using the Optional Model for Employment Conditions, agreements will also be made about whether or not to continue paying your salary, pension premiums, pension accrual and the use of the saved hours of holiday leave.

### **LONG-TERM LEAVE**

You can also save for an extended period of leave that you are free to use however you want. No bonus is awarded in this case. The duration of the long-term leave must be equal to or greater than the number of hours of holiday leave that you have saved in your chosen period.

### **A REDUCTION IN YOUR WEEKLY WORKING HOURS**

Instead of saving for an extended period of leave, you can also save for a period in which you will temporarily work fewer hours per week. Before you can make use of the leave you have saved, you must make agreements with your manager about the duration of this period and how it will be done.

### **EXPIRY OF HOURS**

As soon as the fixed savings period in the long-term saving model is over, you will need to use all the leave within one year, unless you have made other agreements about this in writing. That means, for example, that if you start saving for a period of three years in 2022, you must use up the hours saved by no later than 2025. If you do not, and no other agreements have been made, the unused hours will expire five years after the last day of the calendar year in which you started to use hours for the long-term saving model in the Optional Model.

### **END OF EMPLOYMENT**

If your employment ends while you are still saving or before you have used the hours saved, you will need to use up the leave saved immediately before the date on which your employment will terminate. Payment will only be made if, due to circumstances beyond your control, the unit has not given you sufficient time to use all or part of the hours saved and a written agreement is made about payment for the hours you have saved no later than three months before the date on which your employment will terminate.



## **WOULD YOU LIKE MORE INFORMATION?**

Now that you have read this brochure, if you still have questions about the Optional Model for Employment Conditions, you can ask the HR advisor in your own unit. If you wish, you can also contact Human Resources by submitting a question using Ask HR (in MyHR/Afas); select 'Optional Model for Employment Conditions'.