

# Paid Vacation Policy

## **Purpose**

The company recognizes the need for periodic time off for employees for the purposes of vacation, rest and relaxation, family time of a non-medical nature, and other restorative activities as well as other absences that are not of a medical nature but that do not fall into another category of leaves that the company provides. As such, the company provides a number of paid days off that can be used for these purposes

## **Policy**

Managers and employees have the responsibility to plan schedules that meet operating requirements of the department and time off needs of the staff. To balance and meet service and staffing requirements, workers and supervisors should plan time off schedules well in advance, with the exception of unplanned illnesses and emergencies.

## **Eligibility**

*(This section assumes only full-time employees are eligible for paid vacation. If part-time employees are eligible, remove the word "full-time" and substitute the words "scheduled for more than [X] hours per week" where [X] is the minimum number of hours to qualify.)*

All full-time employees working 40 hours per week are eligible to request the use of accrued paid vacation 90 days after their date of hire. New hires will accrue paid vacation from the date of hire, provided they are hired in a class eligible for paid vacation. Accrued time off is not available until after the completion of 90 days of continuous employment in an eligible class. Any time taken in the first 90 days of employment, regardless of how much accrual the employee has, will be unpaid.

## **Accrual**

Employees accrue paid vacation at a rate based on years of service from the date when they began continuous employment in an eligible class with the company. Accruals are granted pro rata per pay period, and paid vacation will accrue at the following rates (in hours) for full-time employees.

*(Include the following section only if you provide paid vacation to part time employees. There are several schemes for doing this, but the most prevalent is "pro-rata".)*

All eligible part-time employees who are scheduled to work 20 or more hours per week will accrue paid vacation time based on the scheduled number of hours they work per week. Employees will accrue only a "pro-rata" portion of the annualized accrual based on tenure when compared with a 40-hour work week. For example, an employee regularly scheduled to work 20 hours a week will accrue 50% of the accrual of a full-time employee.

For hourly employees, employees who are regularly scheduled fewer than 20 hours per week are not eligible for paid vacation time. Hourly part-time employees will be paid an amount equal to their regularly scheduled hours per paid vacation day used. "Regularly scheduled hours" will be determined weekly per pay period and the accrual computed accordingly. For any week an employee is not scheduled to work a minimum of 20 hours, he or she will not receive an accrual for that week.

Employees are NOT allowed to borrow against paid vacation that has not yet been accrued. However, all employees will continue to accrue paid vacation while out on paid vacation, so any time that is accrued while on paid vacation is available to the employee, subject to management approval.

## **Accrual Increases/Changes**

Increases in accruals due to a move from one tenure band to another will become active as of the first of the year in which the change in accrual is due to take place, provided the employee is actively at work in an eligible class at that time. Employees on any type of leave, paid or unpaid, will not realize their change in accrual until after the first full day of work in that year.

## **Use of paid vacation**

Paid vacation will be charged in full-day and half-day increments only. Paid vacation cannot be used in hourly increments except for hourly employees who are eligible for paid vacation.

When an employee is on an approved period of paid vacation and becomes ill or injured, those days where the employee is incapacitated due to that illness or injury may, with the approval of management, be converted into paid sick leave and the unused days restored to the employee's available vacation time.

## **Unused paid vacation**

*("Use it or lose it")*

All paid vacation is intended to be used in the year it is accrued. The company encourages employees to take the time off they have accrued and as such does not allow any carryover, nor do we pay out unused paid vacation. Unless otherwise prohibited by law, any unused paid vacation is forfeited at the end of the year in which it is accrued.

*(Carryover with a limit)*

All paid vacation is intended to be used in the year it is accrued. However, the company recognizes this may not always be possible and so allows for a carryover of up to 40 hours of unused paid vacation that can be used in future accrual periods. Once the bank of carried-over hours reaches 40, accruals will be suspended when the total of the current year's accrual and the bank equals the total potential accrual for the year. For example, an employee who is eligible for 80 hours of PTO carries over 40 unused hours from year [X] into year [X+1]. When the current unused accrual for year [X+1] equals 40 hours and is added to the 40 hours in the bank, the total equals 80 hours. At this point, the employee's accrual is frozen until some hours are used.

*(Payout)*

All paid vacation is intended to be used in the year it is accrued. However, the company recognizes this may not always be possible and so will pay the employee for the unused hours during the first pay period of the following year.

## **Notice**

Employees must submit a written request to their supervisors, along with the anticipated length of the absence. Advance notice of 10 days is required when foreseeable, or as soon as need for the leave is known. When it is not possible to provide advance notice, notice is required on or as soon after the first day of absence as is practically possible. When notice cannot be provided by the employee due to their incapacitation, notice should be provided by a family member or other person with knowledge of the absence.

Submission of timely notice does not constitute or ensure approval by management. All leaves must be approved by management. Management will take into consideration the business and operational needs of the unit. This is not a consideration for paid vacation requested due to an unforeseen illness or emergency.

## **Other Conditions**

Leaves of absence are not intended for employees who are leaving their employment and do not plan to return to work at the company. Any employee who has given notice of intent to leave employment or who has a specific separation date due to a job elimination may not initiate a leave of absence without express approval from management during that period, unless that absence is due to unforeseeable circumstances. Employees in this situation will have any accrued and unused paid time off paid to them at termination.

Normally, an employee won't be able to request a leave of more than two continuous weeks, although management may make exceptions under certain circumstances. During any leave taken, employees are expected to inform their supervisors of their intentions, including any changes in their expected date of return, as soon as the employee becomes aware of the need for such a change.

All leaves, approved or unapproved, are subject to the absence/attendance policy to the extent allowed by law, rule, or regulation of a governmental entity.

Policy approved by:

Date: