

Paid time off (PTO) policy

Purpose

This PTO policy outlines the guidelines for employees to accrue, use, and manage paid time off, ensuring flexibility for personal time, vacations, and other needs while maintaining operational efficiency.

PTO accrual

PTO accrual is tiered based on years of service and occurs **twice a month**, on the last day of each pay period:

PTO ACCRUAL FOR REGULAR FULL-TIME EMPLOYEE

Tier 1: Year 1-2

- Accrual per pay period: **3.34 hours**.
- Total annual accrual: **10 days (80 hours)**.
- Accrual cap: **80 hours**.

Tier 2: Years 3-5

- Accrual per pay period: **5.0 hours**.
- Total annual accrual: **15 days (120 hours)**.
- Accrual cap: **120 hours**.

Tier 3: Year 6 and beyond

- Accrual per pay period: **6.67 hours**.
- Total annual accrual: **20 days (160 hours)**.
- Accrual cap: **160 hours**.

PTO ACCRUAL FOR REGULAR PART-TIME EMPLOYEE E / <30 HOURS PER WEEK SCHEDULE C

Tier 1: Year 1-2

- Accrual per pay period: **.077 hours per hour worked per pay period**.
- Total annual accrual: **Variable by hours worked**.
- Accrual Cap: **80 hours**.

Tier 2: Years 3-5

- Accrual per pay period: **.096 hours per hour worked per pay period.**
- Total annual accrual: **Variable by hours worked.**
- Accrual Cap: **120 hours.**

Tier 3: Year 6 and beyond

- Accrual per pay period: **.115 hours per hour worked per pay period.**
- Total annual accrual: **Variable by hours worked.**
- Accrual Cap: **160 hours.**

Eligibility:

All employees begin accruing PTO on their first day of employment, aligned with the payroll schedule.

Accrual pause:

PTO accrual will stop when an employee's balance reaches the **accrual cap** for their tier. Accrual will resume once PTO is used, reducing the balance below the cap. Any unearned PTO from this pause will be forfeited.

Using PTO

Requesting PTO: PTO must be requested in advance and approved by the employee's supervisor or manager, based on department and business needs.

PTO for administrative break periods: Employees are encouraged to plan and use accrued PTO throughout the year, excluding company administrative break periods. PTO may be used adjacent to administrative breaks upon manager approval

Company administrative break periods

In addition to accrued PTO, all full-time employees will observe two designated administrative break periods each year:

1. Summer break period

- A one-week break, with exact dates determined by department to ensure business continuity. Where possible departments will take the same break periods. Administrative break time cannot be divided into individual days or hours.

2. End-of-year break period

- A break of **no fewer than five days**, with exact dates determined annually by department to accommodate business needs. Holidays occurring within the break will be in addition to the time provided. Administrative break time cannot be divided into individual days or hours.

Note: Employees are not required to use PTO during these administrative break periods, as they are considered additional paid time off provided by the company.

Other PTO guidelines

- PTO balances and usage will be reflected through the company's HR system for transparency.
- Unused PTO may not exceed the accrual cap for the employee's current tier.
- Employees are encouraged to take regular breaks to maintain a healthy work-life balance.

This policy ensures employees have ample time for rest, personal matters, and work-life balance while aligning with company priorities and operational needs.