



Performance Driven. Patient Oriented.

Section 6: Other Employee Benefits
Policy: Paid Time Off (PTO)
Applies To: All Employees
Effective Date: July 1, 2016

Paid Time Off (PTO)

We recognize the importance for our employees to take personal time off, so the Company offers PTO hours to pay employees for this time off. An employee's length of service with the Company determines the amount of PTO time they are eligible to accrue.

Eligibility

All full-time and part-time employees are eligible to earn PTO accruals. You must be employed for a minimum of two (2) consecutive months to receive PTO accrual hours. Company Owners, Executive Team Members, Directors and Account Management roles are not eligible for PTO accruals.

General Provisions and Accruals

All PTO hours are based on the employee's basic rate of pay when the time off is taken. These hours do not include any special forms of compensation such as incentives, commissions, bonuses, overtime, or shift differential. Company observed holidays occurring during a PTO period are paid as holidays and not charged against your PTO balance. All PTO credits must be used before any type of unpaid leave will be approved. Where you are using PTO pay for a FMLA covered absence, then different rules *may* apply.

You will accrue PTO credit on your anniversary date equal to the number of hours at the accrual rate below.

Full-Time Accrual Schedule:

Months of Continuous Service	Hours Earned per Month	Hours Earned per Year
At completion of 2 months:		20 hours
2 months to 12 months:	10.000 hours per month	100 hours
12 months to 4 years:	10.000 hours per month	120 hours
4 years to 8 years:	13.333 hours per month	160 hours
8 years or more:	16.666 hours per month	200 hours

Part-Time Accrual Schedule:

Months of Continuous Service	Hours Earned per Month	Hours Earned per Year
At completion of 2 months:		10 hours
2 months to 2 years:	5.000 hours per month	50 hours
2 years or more:	5.000 hours per month	60 hours

Scheduling Your Time Off

All time off requests must be submitted to your Manager at least two (2) week in advance (when practical) and is approved at the discretion of your Manager based on staffing levels. Business needs and necessity will take precedent in determining approval.

PTO Carryover Rules/Cap

Full-time employees will earn PTO each pay period, but will only be able to carry over up to 40 PTO hours into the new fiscal year. Any PTO hours accrued and not used in excess of 40 will be deducted from your balance without payment, in accordance with state law ("Use It or Lose It" plan). California employees will receive payment for hours in excess of 40 on the last paycheck in May each year.

Part-time employees will earn PTO each pay period, but will only be able to carry over up to 20 PTO hours into the new fiscal year. Any PTO hours accrued and not used in excess of 20 will be deducted



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PTO and Rehired Employees

If you are rehired at the Company within six (6) months of your termination date, and you have completed the two (2) month waiting period during their previous tenure, your PTO accrual will start at zero (0); however, the accrual will begin again on the date of rehire at the rate you were accruing at the time of your separation. If you are rehired after six (6) months of your termination date, then you will follow the same accrual schedule as a new hire including a new waiting period.

PTO and FLSA

Exempt employees reporting to work will be paid for a full day worked, in accordance with the Fair Labor Standards Act (FLSA) guidelines. If a full-time exempt employee does not complete at least a half (½) day of work on a regularly scheduled work day, then the employee will be required to use PTO time for the partial day absence. If a part-time employee or a non-exempt employee does not work their regularly scheduled hours, then the employee will be required to utilize their PTO time to compensation them for a full day’s salary.

PTO and Leave of Absences

If you are out for an approved leave of absence, your PTO will stop accruing until you return to work. In accordance with the Company policy, you will be required to use your unused accrued PTO time during a Medical Leave or FMLA leave unless otherwise indicated by state law.

PTO Hour Payout

If you have at least 64 accrued PTO hours on October 31st, then you will have the opportunity to receive 40 hours of your PTO time paid out on your first paycheck in December. Human Resources will provide all eligible employees with a form to elect or decline this PTO payout, and the form must be returned to Human Resources by November 30th. If a form is not received, then PTO hours would not be paid.

Human Resources will provide our Payroll Department with the PTO payout listing in early December to ensure this payout is made on the first paycheck each December. Contact Human Resources with any questions on this payout process.