

MARKLUND
HUMAN RESOURCES POLICY AND PROCEDURE

POLICY NO. 5.1.1

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SUBJECT: PAID TIME OFF

DEPARTMENT AFFECTED: ALL **APPROVED BY:**

ISSUED: 1-18-95 **EFFECTIVE DATE: 5-6-95**

REVISED: 1-29-98, 3-20-98, 7-24-98, 11-15-00, 11-01-04, 02-01-11, 05-01-13 , 5-01-2015, 7/8/15; 12/6/15, 11-01-2016; 1-24-2017; 7-01-2019; 11-17-2020; 03-30-2021

PURPOSE:

To provide a paid time-off program that allows eligible employees flexibility to use the benefit to fit their lifestyle.

POLICY:

Paid Time Off (PTO) incorporates vacation, personal and sick pay plans. PTO can be used for recreation and security against sickness or for conversion to cash within the guidelines of the plan.

Paid Time Off (PTO) is an accrual system with a percentage of PTO time accrued for every regular hour of pay. See **Appendix B**. For eligible new hires, PTO accrual begins the first day of employment after completing one month of employment. Any employee that transfers to a PTO eligible position (after completing 30 days of continued employment) will begin accruing time off on the first day of the pay period in which they transfer.

ELIGIBILITY:

1. Any employee working a PTO eligible position with a regular minimum schedule of 30 hours per week is eligible.
2. Part time nurses, with a regular minimum schedule of 20 hours up to 29 hours are eligible.

DEFINITION OF TERMS:

Hours Paid: PTO is generally accrued for every regular hour an employee is paid, including worked hours and paid benefit hours, but excluding overtime and on-call hours.

Vested Hours: These are hours owned by the employee. They may be used as time off or converted to cash or ESB, within the guidelines of the program.

Length of Service: A period of continuous employment from the most recent date of hire (excluding any time in IHR or Temporary Status).

PTO Accrual Rates: Each full-time employee, based on their length of service, has a specific accrual rate and a maximum annual accrual.

Maximum Unused Balance: Listed on the tables in Appendix B are the maximum balances of PTO that an employee may accumulate. For full time employees, this maximum limit will be set at the same number of hours as their maximum annual accrual. Example: a full-time non-exempt employee with three years of service can accrue 120 hours (15 days) of PTO in one year and 120 hours is also the maximum balance of unused PTO they can maintain. If an employee reaches this maximum limit, no addition PTO will accrue until some has been used.

- The Maximum Annual Accruals for all employees are summarized in **Appendix B** of this policy.

Maximum Unused Balances: Also indicated on the tables are the Maximum Unused Balances which can be accumulated. For full-time employees, this maximum limit will be set at the same number of hours as their maximum annual accrual. For example, a full-time employee with three years of service can accrue 120 hours (15 days) of PTO in a year, and 120 hours is also the maximum balance of unused PTO they can maintain. If they reach this maximum limit, no additional PTO can be accrued until some PTO has been used. Employees enjoy considerable flexibility in choosing how to use it. However, it cannot be accumulated from year to year in excess of their Maximum Unused Balance.

CONDITIONS FOR USE OF PTO:

1. Except for illness or other unforeseeable emergencies, all PTO must be requested in advance as required by the schedule needs of the department. All requests for PTO must be done on a computer through the Scheduling system or through the Payroll. A Supervisor must approve the use of all PTO, see Policy 3.8.2.
2. Unscheduled tardiness will not normally be paid as PTO.
3. Requested time off without pay will not normally be granted if an employee has PTO in their bank.
4. Unscheduled absences will have PTO entered onto their time cards.
5. Employees must use their PTO and/or their ESB for FMLA's. ESB may only be used when the illness or injury is to the employee.
6. Employees that have not begun their fourth year of employment may not take more than two consecutive calendar weeks of PTO. Employees in their fourth year of employment and thereafter may not take more than three consecutive calendar weeks of PTO. Requests that exceed these limits must be approved by the Director of the department in conjunction with the Director of Human Resources.

CONVERSION OPTIONS:

Employees must complete one continuous year of service before they are eligible for conversion privileges.

Twice every year, eligible employees may choose to cash in PTO hours for their own use and/or convert PTO hours to vested ESB. The guidelines under which that may happen are outlined below.

- **May** – Employees will be notified via an email on how to submit their request to cash in PTO. All eligible employees with 1 to 3 years of service will be allowed to cash in up to 40 hours of PTO. Employees with 4 years of service and above will be allowed to cash in up to 80 hours of PTO.
- **November** - Employees will be notified via an email on how to submit their request to cash in PTO. All eligible employees with 1 to 3 years of service will be allowed to cash in up to 40 hours of PTO. Employees with 4 years of service and above will be allowed to cash in up to 80 hours of PTO.

Employees must have a sufficient balance of PTO available in their bank at the time they turn in their request, including a minimum end balance of 24 hours of PTO, in order to participate in the conversion program.

UPON TERMINATION OF EMPLOYMENT:

The last day an employee works is the employee's termination date. All vested PTO and Vested ESB will be paid as a termination benefit.

CHANGES IN EMPLOYEE STATUS:

Any employee that changes their status to part time from full time and has PTO and/or vested ESB in their bank will have it cashed out in the first pay period they become part time.

If they return to full time or are rehired within 30 days, they will begin accruing immediately at the same accrual rate they left out. Their hire date will remain their original date.

If the employee goes back to full time after the 30-day period, they will begin to accrue in the pay period they become full time. Part time hours worked will not count towards an employee's accrual benefit date. They will retain their original hire date for "seniority" purposes only, according to HR policy 3.21.

Employees that are rehired after 30 days but prior to one year will receive a new hire date and seniority date and will also have to wait 30 days to begin accruing at the "0 to 3" year level of accrual. The period between the termination date and rehire date will not count towards an employee's accrual benefit date. They will retain their original hire date for "seniority" purposes only, according to HR policy 3.21.

Employees rehired after one year will be considered a new employee and will receive PTO as a brand-new employee.

APPENDIX A

**REQUEST FOR SCHEDULED TIME OFF/
REQUEST FOR A SWITCH IN SCHEDULE (rev. 9-04)**

Employee Name: _____

Date Submitted: _____

Department: _____ **Shift:** _____

Supervisor's Name: _____

I AM REQUESTING THE FOLLOWING:

PTO time: _____

Switch in Schedule (all following sections must be completed)

Name of employee requesting switch:

Print Name

Signature required

Name of employee that will replace:

Print Name

Signature required

Dates of switch: (be specific) _____

any additional comments: _____

SUPERVISOR'S RESPONSE

Approved

Not Approved

Contact me

Employee contacted: _____ **yes** _____ **no**

Supervisor signature with date: _____

2nd Supervisor signature with date: _____

***Necessary when employee works at both D/T and 16 bed homes**

Scheduler signature (when applicable) with date: _____

APPENDIX B

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME NON-EXEMPT (Paid Hourly) EMPLOYEES
***80 HRS PER PAY PERIOD**

Clock #00001

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	120 Hours	120 hours
4 to end of 8 years of employment	152 Hours	152 hours
9 to end of 14 years of employment	184 Hours	184 hours
15+ years	216 Hours	216 hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME NON-EXEMPT (Paid Hourly) EMPLOYEES
***64 THROUGH 69 HRS PER PAY PERIOD**

Clock #00002

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	80 hours	80 hours
4 to end of 8 years of employment	96 hours	96 hours
9 to end of 14 years of employment	128 hours	128 hours
15+ years of employment	160 Hours	160 Hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME EXEMPT SALARIED EMPLOYEES
***80 HOURS PER PAY PERIOD**

Clock #00003

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	168 hours	168 hours
4 to end of 8 years of employment	208 hours	208 hours
9 to end of 14 years of employment	248 hours	248 hours
15+ years of employment	288 Hours	288 Hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME EXEMPT SALARIED EMPLOYEES
***64 Hours. PER PAY PERIOD**

Clock #00004

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	128 hours	128 hours
4 to end of 8 years of employment	160 hours	160 hours
9 to end of 14 years of employment	192 hours	192 hours
15+ years of employment	224 hours	224 hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME LEADERSHIP EMPLOYEES
***80 HOURS PER PAY PERIOD**

Clock #00005

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	208 hours	208 hours
4 to end of 8 years of employment	248 hours	248 hours
9 to end of 14 years of employment	288 hours	288 hours
15+ years of employment	328 hours	328 hours

**Annual accrual date is 12 months from the 1st date of the pay period you began your accrual*

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME DEVELOPMENTAL INSTRUCTORS FOR CDS PROGRAM
PTO HOURS BASED ON PROGRAM CALENDAR

Clock #00007

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	120 hours	120 hours
4 to end of 8 years of employment	152 hours	152 hours
9 to end of 14 years of employment	184 hours	184 hours
15+ years of employment	208 hours	208 hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

PART TIME NURSES
.5 TO .7
20 TO 35 SCHEDULED HOURS PER PAY PERIOD

Clock #00008

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	40 hours	40 hours
4 to end of 8 years of employment	56 hours	56 hours
9 to end of 14 years of employment	72 hours	72 hours
15+ years of employment	88 hours	88 hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual

PTO ACCRUAL RATES
Effective Date 7-01-2019

OFFICER LEVEL EMPLOYEES

Clock #00009

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0 to end of third year of employment	248 hours	248 hours
4 to end of 8 years of employment	288 hours	288 hours
9 to end of 14years of employment	328 hours	328 hours
15+ years of employment	368 hours	368 hours

PTO ACCRUAL RATES
Effective Date 7-01-2019

FULL-TIME NON-EXEMPT (Paid Hourly) EMPLOYEES
70 THROUGH 75 SCHEDULED HRS PER PAY PERIOD
.875 FTE THROUGH .9375

Clock #00010

LENGTH OF SERVICE	MAXIMUM ANNUAL ACCRUAL	MAXIMUM UNUSED BALANCE
0-end of third year of employment	104 hours	104 hours
4-end of 8 years of employment	128 hours	128 hours
9+ years	152 hours	152 hours
15+ years	176 hours	176 hours

Annual accrual date is 12 months from the 1st date of the pay period you began your accrual