

4.2 PAID TIME OFF

Friendly Senior Living recognizes the need to provide eligible employees with paid time off. All regular full-time and part-time employees scheduled to work a minimum of 20 hours will be granted **Paid Time Off (PTO)** after completing three (3) consecutive months of active employment.

GUIDELINES

Paid Time Off (PTO) is granted so employees may enjoy periods of rest and relaxation away from the duties and responsibilities of their position and may attend to personal business or other personal matters. PTO takes place of "vacation" and "personal" time. Sick time is granted separately (*refer to HR Benefits Policy #4.03 Sick Time*).

The Human Resources Department maintains records of Paid Time Off and eligibility for PTO based on **Job Group Categories** (*refer to HR Benefits Policy #4.02A Job Groups*). Employees accrue PTO based on their position job group per the following schedule:

Years of Service	Job Group	Equivalent # PTO Days Per Year
1 to 3 Years	Group I	12
4 to 9 Years	Group I	15
10+ Years	Group I	20
1 to 3 Years	Group II	15
4 to 9 Years	Group II	20
10+ Years	Group II	23
1 to 3 Years	Group III	20
4 to 9 Years	Group III	23
10+ Years	Group III	25
1+Years	Group IV	25

Computation and Accumulation:

Paid Time Off will be credited on a bi-weekly basis. The number of hours an employee receives is based on the employee's job group category, length of service and scheduled hours.

Full-time employees may **carryover** from one calendar year to the next a **maximum of 225 hours** (for **37.5 full-time** scheduled employees) or **240 hours** (for **40 full-time** scheduled employees) of PTO per year. Part-time employees' maximums are pro-rated to equivalent of six (6) weeks of PTO.

- PTO hours are posted on eligible employees' pay stub (electronic, paper) and on time clocks each pay period after completing three (3) consecutive months of active employment.
- **PTO will accrue each pay period all year (without a limit to when the accrual will stop) unless the employee is absent for other reasons stated in this policy.** On the first pay period of the new year, only the maximum of **225 hours** (for **37.5 full-time** scheduled employees) or **240 hours** (for **40 full-time** scheduled employees) will be carried over to following year. **Accruals**

over 225 hours for 37.5 full-time scheduled employees or 240 hours for 40 full-time scheduled employees will be forfeited.

- Employees may not receive PTO pay in lieu of taking the actual time off.
- Employees may not take unpaid days in lieu of paid time off (PTO)
- Employees do not earn PTO accruals while on disability, workers compensation, or most other leave of absences. PTO accruals will resume once the employee returns to work.

Paid Time Off for eligible part-time employees are pro-rated on the number of hours an employee is regularly scheduled to work per week divided by a five (5) day work week.

For Example:

<i># Hours Scheduled for week</i>	<i>Divided by 5 = # hours paid per day</i>	<i># of PTO days</i>	<i>Multiplied # hours per day by # PTO days = # hours received</i>
30 hours	6 hours / days	12 days	72 hours
25 hours	5 hours / days	12 days	60 hours
20 hours	4 hours / days	12 days	48 hours

*When an employee works different hours during the bi-weekly pay period, the hours are averaged to calculate the PTO accrual. In the rare circumstance that an employee works 1 week above 20 hours and 1 week below 20 hours the hours are averaged for a minimum accrual of 20 hours.

PTO hours are paid at an employee's straight time hourly base rate for non-exempt (hourly) employees and straight time daily wage for exempt (salary) employees.

New hires begin receiving accruals upon date of hire but may not use or receive payment for accruals until after completing three (3) consecutive months of active employment.

Holidays and PTO:

Employees who are using PTO when a paid holiday is observed will receive holiday pay and will not be charged PTO for that day.

Illness During PTO:

Should an employee become ill prior to the beginning of a schedule PTO the employee may request a change in their PTO request.

Scheduling, Requesting and Granting PTO:

Every effort will be made to permit employees to take their PTO at the time requested. However due to the nature of the business, caring for Members/Residents, coordination within and between departments is essential. Approval for PTO requests will depend on the department's workload and the number of employees who are out and/or scheduled for PTO at that time.

All **PTO is subject to approval** by the employee's manager (and/or Department Head) and should be submitted by utilizing the PTO electronic request system **at least fourteen (14) days in advance** or per department's policy.

Emergency Use of PTO

In the event of an emergency, two (2) PTO days or partial days may be taken as "emergency days" without normal proper notice of at least 14 days. An emergency day may be taken for a sick family member or other unforeseen circumstances that would prohibit the employee from reporting to work

as scheduled. Employees must inform their supervisor as early as possible when they need to utilize an emergency day.

Employees who want to change a PTO request after it has been approved through the electronic system must communicate **in writing** a revised PTO request to their supervisor for approval.

For non-emergency days, the employee's supervisor (and/or Department Head) will notify the employee whether the request for PTO has been approved or denied as soon as possible.

If two or more requests are made for the same days off, the request and approval will be determined by the Department Head **depending on the needs of the department** and other considerations, which may include, but not limited to, seniority, time the requests were submitted, and previous time taken.

An employee whose request for PTO is denied will be given an opportunity to submit a new request.

PTO When Changing Status:

Full-time or part-time employees (regularly scheduled 20 hours or more a week) who change from the number of hours regularly scheduled per week will have accrue PTO at an adjusted rate to reflect the number of hours regularly scheduled (see example above).

- Employees changing **from** full-time or part-time (regularly scheduled 20 hours or more a week) **to** limited benefit part-time (regularly scheduled 19 hours or less a week) or per diem, will be paid for unused PTO up to **maximum of 225 hours** (for **37.5 full-time** scheduled employees) or **240 hours** (for **40 full-time** scheduled employees) in the last paycheck before beginning their new status as long as the employee gives the required advance notice (see chart below). *Employees changing to per diem or limited-benefited part-time will no longer earn PTO accruals.*
- Employees going from limited-benefited part-time (regularly scheduled 19 hours or less a week) or per diem to part-time (regularly scheduled 20 hours or more a week) or full-time will begin receiving PTO after completing three (3) consecutive months at their new benefited status.

PTO Payment At Termination:

Employees who voluntarily resign or retire and who give the required advance notice before leaving employment will be paid for earned and unused PTO up to **maximum of 225 hours** (for **37.5 full-time** scheduled employees) or **240 hours** (for **40 full-time** scheduled employees) in their paycheck.

Advance Notice Chart:

Employee Job Group:	Number of Weeks' Notice Must Give to Receive earned and unused PTO (up to maximum 225 / 240 hours)
Group I	2
Group II	2
Group III	4
Group IV	4+

- Employees may not use PTO once notice has been given unless approved by their Department Head.
- No PTO will be paid out if an employee is terminated for cause by Friendly Home/Cloverwood.
- No PTO will be paid if an employee abandons his/her position.
- No PTO will be paid out to employees who have not completed three (3) consecutive months of active employment and/or benefited status.