

Written: 04/11/2016	Policy	Paid Time Off (PTO) Policy
Approved: 07/21/2016		Dept: All
Reviewed/Revised: 07/18/2016		Written: Rebekah Lvnych

Purpose

The Area Agency on Aging of Western Arkansas, Inc. believes that employees should have opportunities to enjoy time away from work to help balance their lives. The company recognizes that employees have diverse needs for time off from work. The company has established this paid time off (PTO) policy to meet those needs. The benefits of PTO are that it promotes a flexible approach to time off. Employees are accountable and responsible for managing their own PTO hours to allow for adequate reserves if there is a need to cover vacation, illness or disability, appointments, emergencies, or other situations that require time off from work.

Eligibility

All full-time class II and III personnel shall accrue paid time off. All class I employees are excluded from accruing PTO. Eligible class II and III employees are employees who work twenty-four (24) hours or more per forty (40) hour week. Employees working less than twenty-four (24) hours per week will not accrue PTO. Employees working twenty-four (24) to thirty nine (39) hours shall accrue PTO in accordance with the percentage of time worked.

Procedures

Availability

PTO accruals are available for use in the pay period following completion of 90 days of employment. All hours thereafter are available for use in the pay period following the pay period in which they accrued.

Accrual and Payment of PTO

Accruals are based upon paid hours up to 2,080 hours per year, excluding overtime. Length of service determines the rate at which the employee will accrue PTO (see table below). PTO does not accrue on unpaid leaves of absence or PTO cash outs upon termination. Employees become eligible for the higher accrual rate on the first day of the pay period in which the employee's anniversary date falls.

Years of Service	Biweekly Accrual Rate	Days Accrued Annually
1-3	6.15 hours	20 days
4-6	7.08 hours	23 days
7-9	8.00 hours	26 days
10-12	8.92 hours	29 days
12 +	9.85 hours	32 days

PTO is cumulative, however, no employee may carry over more than thirty (30) days at the end of the year. At least one-half (1/2) of the leave accumulated during each full year must be used that year. (This does not apply to a new employee working a partial first year).

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One-quarter (1/4) of the current year's accrued PTO must be used by June 30th and another one-quarter (1/4) of the current year's accrued PTO must be used between July 1st and December 31st of the current year.

After using one-half (1/2) of the leave accumulated during the year, the rest may be carried over up to a cumulative maximum of thirty (30) days or 240 hours.

If an employee ends the year with more than thirty (30) days of paid time off, the excess will be bought back at the employee's regular rate of pay.

Use and Scheduling of PTO

Employees are required to use available PTO when taking time off from work with the exception of a company-required absence due to low workload or absences caused by the company. PTO may not be used for missed time because an employee reports late to work, except during inclement weather.

No employee may use leave before the end of the pay period in which it is accrued. PTO may be requested by an employee by submitting a leave request to their immediate supervisor. In an emergency situation, verbal approval from the employee's supervisor may be obtained. PTO is subject to supervisory approval and department staffing needs. Unscheduled absences will be monitored. An employee will be counseled when the frequency of unscheduled absences adversely affects the operations of the department. The supervisor may request that the employee provide a statement from a health care provider concerning the justification for an unscheduled absence. No PTO shall be regularly scheduled (i.e. Every Tuesday 4:00 – 5:00).

When PTO is used, an employee is required to request payment of PTO hours according to his or her regularly scheduled workday. For example, if an employee works an eight-hour day, he or she would request eight hours of PTO when taking that day off. PTO is paid at the employee's straight time rate. PTO is not part of any overtime calculation. Employees will submit their PTO request to their immediate supervisor on the Request for Paid Time Off form.

Employees may not borrow against their PTO banks, therefore, no advance leave will be granted.

Payment Upon Termination

In accordance with Arkansas law, the company must tender any wages due within seven (7) days of a discharge provided the employee has requested or demanded payment. In all other cases, payment must be made at the regularly scheduled payday, absent some agreement between the employer and the employee to the contrary.

No PTO will be paid upon termination until the completion of 90 days of employment.