

Family First Credit Union
Human Resources
Wellness Pay/Pay in Lieu of Vacation Policy

Updated Sept. 25, 2017

All full-time employees earn paid vacation and sick leave beginning the month that employment starts. The Family First Credit Union Employee Handbook completely outlines the sick and vacation leave policy. Unused vacation and sick leave may be carried over from year to year.

The *Wellness Pay/Pay in Lieu of Vacation* is an option that will allow an employee to receive pay for accrued leave time in excess of 30 days (15 vacation leave and 15 sick days). The guidelines for eligibility will be followed without exception unless that exception is approved by the President/CEO.

The *Wellness Pay/Pay in Lieu of Vacation* option is intended to:

- ✓ Improve employee attendance;
- ✓ Enhance employee moral;
- ✓ Reduce unwarranted employee leave;
- ✓ Encourage a healthy and delightful work environment;
- ✓ Additional option to the existing vacation and sick leave policy; and
- ✓ Increase available resources for the business of the credit union.

The *Wellness Pay/Pay in Lieu of Vacation* option can be exercised at anytime by an employee up to two (2) times per calendar year in any payment combination for Vacation or Sick Leave as defined in the eligibility guidelines. The maximum number of days an employee may turn in at one time is limited to 15 and the employee must wait three months between turning more days in. Family First Credit Union's ROA must be .20% or higher for employees to be able to use the Wellness Pay/Pay in Lieu of Vacation plan.

Wellness Pay/Pay in Lieu of Vacation Leave will be paid at the employee's daily rate of compensation for each day of unused leave.

Wellness Pay Policy

An employee may elect to receive payment for some of their sick leave earned rather than carrying those days over to the next year. This option is called *Wellness Pay*. Employee must be eligible for *Wellness Pay* to exercise this option.

Eligibility Guidelines for Wellness Pay

- Employee with five (5) or more years of service.
- Employee must have at least thirty-five (35) sick days accrued.
- Employee must redeem a minimum of five (5) sick days at one time.
- Employee cannot reduce their accrued sick leave balance below thirty (30) days.

- Employee can redeem a maximum of 6 weeks (30 days) leave time in one year. (Maximum of 15 sick days and maximum of 15 vacation leave paid out during one calendar year)
- Employee is required to complete the Pay in Lieu Authorization Form.
- Pay in Lieu Authorization Form is approved by the employee's direct manager, CFO/EVP, or President/CEO.

Pay in Lieu of Vacation Leave Policy

An employee may use vacation leave for vacation, rest and relaxation, and personal business or emergencies or an employee may elect to receive payment for some of their vacation leave earned rather than carrying those days over to the next year.

Eligibility Guidelines for Pay in Lieu of Vacation Leave

- Employee with five (5) or more years of service.
- Employee must have at least twenty (20) vacation days accrued.
- Employee must redeem a minimum of five (5) vacation days at one time.
- Employee cannot reduce their accrued vacation pay balance below fifteen (15) days.
- Employee can redeem a maximum of 6 weeks (30 days) leave time in one year. (Maximum of 15 sick days and maximum of 15 vacation leave paid out during one calendar year)
- Employee is required to complete the Pay in Lieu Authorization Form.
- Pay in Lieu Authorization Form is approved by the employee's direct manager, CFO/EVP, or President/CEO.

In General, this policy must be approved by the Board of Directors. Once approved, the CFO/EVP will ensure the credit union staff is informed of the Wellness Pay/Pay in Lieu of Vacation Policy. This policy will be included in the Family First Credit Union Employee Handbook upon approval.

Adopted _____

Date _____