VACATION POLICY

**Fictional Non Existent LLC**

*Policy Number: HR-VAC-001*

*Effective Date: January 1, 2025 | Last Revised: January 1, 2025*

# 1. Purpose

This policy establishes guidelines for vacation time accrual, usage, and management at Fictional Non Existent LLC. The company recognizes the importance of work-life balance and encourages employees to take time off to rest and recharge. This policy ensures fair and consistent administration of vacation benefits across the organization.

# 2. Scope

This policy applies to all regular full-time and part-time employees of Fictional Non Existent LLC. Temporary employees, contractors, and interns are not eligible for paid vacation time under this policy.

# 3. Eligibility

## 3.1 Full-Time Employees

Full-time employees (those working 40 hours per week) are eligible for paid vacation time beginning on their first day of employment. Vacation time begins accruing immediately but may not be used until after the completion of the 90-day introductory period.

## 3.2 Part-Time Employees

Part-time employees (those regularly scheduled to work at least 20 hours per week) are eligible for vacation time on a prorated basis based on their scheduled hours. Part-time employees working fewer than 20 hours per week are not eligible for paid vacation time.

# 4. Vacation Accrual

## 4.1 Accrual Schedule for Full-Time Employees

Vacation time is accrued based on length of service as follows:

| **Years of Service** | **Annual Vacation Days** | **Accrual Rate per Pay Period** |
| --- | --- | --- |
| 0 - 2 years | 15 days | 4.62 hours |
| 3 - 5 years | 20 days | 6.15 hours |
| 6 - 10 years | 25 days | 7.69 hours |
| 11+ years | 30 days | 9.23 hours |

***Note:*** *Accrual rates are calculated based on 26 bi-weekly pay periods per year.*

## 4.2 Accrual Method

Vacation time accrues on a per-pay-period basis. Employees must be in active pay status for the entire pay period to earn vacation accrual for that period. Time spent on unpaid leave does not count toward vacation accrual.

## 4.3 Maximum Accrual Cap

Employees may accrue vacation time up to a maximum of 1.5 times their annual allocation. Once this cap is reached, no additional vacation time will accrue until the balance falls below the cap. Employees are encouraged to use their vacation time regularly to avoid reaching the cap.

**Example:**

* An employee earning 15 days annually can accrue up to 22.5 days (180 hours)
* An employee earning 20 days annually can accrue up to 30 days (240 hours)

# 5. Requesting Vacation Time

## 5.1 Advance Notice Requirements

Employees must submit vacation requests according to the following guidelines:

* **1-3 days:** At least 5 business days advance notice
* **4-7 days:** At least 2 weeks advance notice
* **8+ days:** At least 4 weeks advance notice

Requests made with less advance notice may be approved at the discretion of the supervisor based on business needs and staffing availability.

## 5.2 Approval Process

All vacation requests must be:

1. Submitted through the company's time management system
2. Approved by the employee's direct supervisor
3. Confirmed in writing via email or system notification

Approval is based on business needs, staffing levels, and operational requirements. Supervisors will make every effort to accommodate employee preferences while maintaining adequate coverage.

## 5.3 Peak Periods and Blackout Dates

Certain departments may designate peak business periods during which vacation requests may be limited or restricted. Supervisors will communicate blackout dates to their teams at least 60 days in advance. Emergency situations requiring time off during blackout periods will be evaluated on a case-by-case basis.

## 5.4 Vacation During Notice Period

Employees who have submitted their resignation are generally not permitted to use vacation time during their notice period, except in extenuating circumstances approved by Human Resources. Accrued but unused vacation will be paid out upon separation in accordance with company policy and applicable law.

# 6. Vacation Usage

## 6.1 Minimum Increments

Vacation time may be taken in increments as small as half-day blocks (4 hours) or full-day blocks (8 hours). Hourly increments are not permitted unless specifically approved by Human Resources for extenuating circumstances.

## 6.2 Holidays During Vacation

If a company-observed holiday falls during an employee's vacation period, that day will be counted as a holiday rather than vacation time. The vacation day will be credited back to the employee's vacation balance.

## 6.3 Illness During Vacation

If an employee becomes seriously ill or injured while on vacation and the illness requires hospitalization or extends beyond the vacation period, the employee may request to convert vacation time to sick leave. Such requests must be supported by appropriate medical documentation and approved by Human Resources.

# 7. Carryover and Payout

## 7.1 Year-End Carryover

Unused vacation time will automatically carry over to the next calendar year, subject to the maximum accrual cap outlined in Section 4.3. Employees are strongly encouraged to use their vacation time within the year it is earned to promote work-life balance and prevent burnout.

## 7.2 Payout Upon Termination

Upon separation from employment (whether voluntary or involuntary), employees will be paid for all accrued but unused vacation time at their current rate of pay. Payment will be included in the final paycheck in accordance with state law.

## 7.3 No Cash-Out Option

Employees may not cash out accrued vacation time while actively employed. Vacation time is intended to provide rest and recuperation and must be taken as time away from work.

# 8. Special Circumstances

## 8.1 Leave of Absence

Employees on an approved leave of absence (FMLA, medical leave, personal leave, etc.) do not accrue vacation time during the leave period. However, previously accrued vacation time remains available for use upon return to work.

## 8.2 Transfer or Promotion

Employees who transfer between departments or receive promotions retain their current vacation accrual rate based on their total years of service with the company. There is no waiting period or loss of accrued vacation time.

## 8.3 Part-Time to Full-Time Conversion

When a part-time employee transitions to full-time status, their vacation accrual rate will adjust to the full-time schedule effective the first pay period of their new status. Years of service credit includes all time as both part-time and full-time employee.

# 9. Responsibilities

## 9.1 Employee Responsibilities

Employees are responsible for:

* Planning vacation time in advance and submitting requests promptly
* Monitoring their vacation balance regularly
* Coordinating with team members to ensure adequate coverage
* Completing necessary work or delegating responsibilities before taking vacation
* Setting up out-of-office notifications and emergency contact information

## 9.2 Supervisor Responsibilities

Supervisors are responsible for:

* Reviewing and responding to vacation requests promptly (within 3 business days)
* Ensuring fair and equitable distribution of vacation time approvals
* Maintaining adequate staffing levels and coverage during peak periods
* Encouraging employees to use their vacation time regularly
* Communicating blackout dates and peak periods in advance

## 9.3 Human Resources Responsibilities

Human Resources is responsible for:

* Administering the vacation policy fairly and consistently
* Maintaining accurate vacation accrual records
* Processing vacation payout upon termination
* Addressing policy questions and resolving disputes
* Reviewing and updating the policy annually

# 10. Policy Review and Modifications

This policy will be reviewed annually by Human Resources and updated as needed to reflect changes in business practices, legal requirements, or organizational needs. The company reserves the right to modify this policy at any time with appropriate notice to employees.

# 11. Questions and Contact Information

Questions regarding this vacation policy should be directed to the Human Resources Department at hr@fictionalnonexistent.com or extension 5100.

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Approved by: Chief Human Resources Officer

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Signature

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