

## **Sample Vacation Policy**

### **Purpose**

This Vacation Policy outlines the guidelines for paid time off (PTO) to ensure employees have opportunities for rest and personal time while maintaining business continuity.

### **Eligibility**

All full-time employees are eligible for paid vacation benefits. Part-time and temporary employees may be eligible on a prorated basis as determined by management.

### **Accrual of Vacation Time**

Vacation time is accrued on a biweekly basis beginning on the employee's first day of employment.

- 0–1 year of service: 10 days per year (3.08 hours per pay period)
- 1–5 years of service: 15 days per year (4.62 hours per pay period)
- 5+ years of service: 20 days per year (6.15 hours per pay period)

### **Use of Vacation Time**

Vacation requests should be submitted at least two weeks in advance and are subject to manager approval based on business needs. Vacation time may be used in full-day or half-day increments unless otherwise approved.

### **Carryover and Caps**

Employees may carry over up to 40 hours of unused vacation time into the next calendar year. Accrual will pause once the maximum cap of 1.5 times the annual accrual is reached.

### **Payout Upon Separation**

Accrued but unused vacation time will be paid out upon voluntary or involuntary separation, in accordance with applicable state laws.

### **Holidays and Sick Leave**

Vacation time cannot be used retroactively and does not accrue during unpaid leave. Company holidays and sick leave are governed by separate policies.

### **Policy Administration**

Management reserves the right to modify this policy at any time to comply with legal requirements or business needs. Employees will be notified of any changes in writing.