

### Example One:

#### **PAID TIME OFF (PTO) POLICY**

Effective DATE

EVERYONE has a job to do. As it relates to your time at the office, you should have a good deal of latitude in deciding what works best for you so long as you are meeting the needs of our clients, your team and AGENCY. That means you might need to come in early for East Coast clients or work late or long hours during a period of client planning. It also means if you need to tend to something personal, it shouldn't take an act of Congress to make that happen. In the end, we derive value in our ability to remain flexible and nimble and our Paid Time Off policy should reflect just that.

**That's why AGENCY does not have a formal sick, vacation or paid time off policy.** Instead, you may request PTO as you see fit. That means nothing accrues and nothing expires. Nothing will show up on your paystubs. There are no forms that need to be routed. Time off is yours to enjoy when you like so long as you follow a few courtesies to ensure the rest of us know the game plan.

1. Tell your supervisor, at least five days in advance of any expected absence, that you would like to take time away from the office – an email is required so there is an electronic trail.  
**The more in advance you plan, the better.** Your supervisor has a good perspective on collective time off for the rest of your team and on the requirements of the team in meeting deliverable deadlines. It is your supervisor's job to determine if s/he thinks your work can be appropriately covered by others. Your supervisor will make reasonable efforts to grant your request. Please understand that due to staffing needs, not all PTO requests can be approved. If it turns out that it cannot, courtesy goes to the person/people who planned in advance of you. You don't get the time away in that instance but you know when it's your turn, it's truly your turn and others will have your back.
2. Put the time you will be away both on your Outlook calendar (show it as OOO or Busy, not Free) and add it to the OOO Master Calendar on Outlook.
3. Make sure while you are away that you designate someone as your backup, that you include your backup's name on the OOO Master Calendar and that you verse your backup

4. on any projects that are ongoing. Also, please be sure your backup has your contact information if you are accessible via email and/or cell. As a backup, courtesy says that you only reach out to someone not working if you absolutely need to.
5. Report the time away as PTO in Workamajig and/or designated time entry system, within the standard time reporting guidelines of course.
6. If you are part-time hourly, the same rules apply; however, in this instance you will not be paid for the time you are away.
7. If an Employee is unable to meet these expectations, AGENCY reserves the right to revoke the PTO. If gross abuse of the PTO guidelines is observed, disciplinary action may be taken, and this may include termination of employment.
8. Your manager also has the right to request verification of absences (such as a doctor's note) when appropriate.
9. Unexpected Absence – You must personally call your immediate supervisor as soon as possible in case of an unexpected absence. Specifically, you should call at least two (2) hours before the beginning of the work shift and advise your supervisor of your need to be absent and when you expect to return to work.

In all cases of unexpected absence, employees must provide a reason or explanation satisfactory to the Company. Employees also must inform his/her supervisor of the expected duration of unscheduled absences.

If an employee is absent from work due to sickness or injury for three (3) consecutive days or more, the employee must provide a doctor's note certifying that he or she is fit to return to work. An employee who is absent from work for two (2) consecutive days without notifying his or her supervisor or obtaining permission for such absence will be considered a voluntary termination.

We do realize there are various types of leave at the work place. This PTO (Paid Time Off) policy applies to all types of leave (personal, medical, bereavement, jury duty) with the exception of FMLA (Family and Medical Leave), Military Leave, Military Caregiver Leave, Qualifying Exigency Leave, and extended personal or medical leaves when FMLA does not apply. A maximum of three weeks of PTO (Paid Time Off) per calendar year, taken consecutively or intermittently, may be applied to these specific types of leave. When the PTO is exhausted, the remainder of the leave will be unpaid or STD (Short Term Disability) and/or LTD (Long Term Disability) coverage may be applied for the remainder of the leave if eligibility requirements for STD and LTD are met.

The office is officially closed on New Year's Day (observed), Memorial Day, 4<sup>th</sup> of July (observed), Labor Day, Thanksgiving + Friday after Thanksgiving and Christmas (observed). You should still follow steps 2 and 4 on these days. Based on your position within the agency, even though the office is officially closed, you may be required to work to fulfill client obligations, but you will know that in advance.

This policy is built on trust – a belief in one another that we will do the right thing, that we will act responsibly and that we will ensure our work gets done on-time, on-budget and with the highest quality. If there is a breach of that trust, we will work to fix that breach as a group as quickly as possible.

This Policy supersedes time off policies as documented in the Employee Manual or in other written or electronic versions referencing Paid Time Off that you may have previously received.

### **Example Two:**

#### **PAID TIME OFF (PTO) POLICY**

Effective DATE

##### **Vacations**

Vacation is a time for you to rest, relax, and pursue special interests. AGENCY has provided paid vacation as one of the many ways in which we show our appreciation for your loyalty and continued service.

Only regular full-time employees are eligible for paid vacation. During the first year of employment, an employee may take up to ten workdays of paid vacation. You cannot take more than five days within the first six months of employment.

You are not eligible for paid vacation if you are a part time or a temporary employee.

##### **Amount of Vacation After Year One**

We recognize that our vacation policy is unorthodox. But, as you will soon discover, that's not a bad thing in our mind.

Our vacation policy is simple. We assume our employees are grown-ups and conduct themselves accordingly. We expect that you will take care of your responsibilities and clients before you leave and upon your return. We also expect that you will prepare files, information, contact names/numbers so that your team can cover for you in your absence.

At AGENCY we offer an open vacation policy for all full-time employees who have hit their one-year anniversary with the agency. What that means is — if you want to take vacation time, you should. We aren't going to count the days or limit how much time you take. But if your job performance suffers or clients/co-workers are left in the lurch, you've taken too much, and we'll need to make an adjustment.

Every effort will be made to grant you your vacation at the time you desire. However, vacations cannot interfere with your department/team's operation and therefore must be approved by OWNER or your direct supervisor at least two (2) weeks in advance. If any conflicts arise in requests for vacation time, preference will be given to the employee with the most seniority or based on past vacation schedules (i.e. if one person had time off around Christmas last year, the other person would have priority.)

You cannot be gone for more than 10 work days in a row without some serious conversation and advanced planning. And that won't be the norm. We get that every once in a while the opportunity to travel to Tibet for three weeks may come your way and we want you to be able to take advantage of those kinds of opportunities. But not every year. And probably not every two years.

No department or employee will be left under staffed or ill equipped to handle our client work. This is going to require everyone to pitch in and cover for each other, knowing the favor will be returned when you take time off.

This will work incredibly well as long as we work together to make sure it's fair and doesn't put anyone in a bind. But, abuse of this policy by one will mean that it is taken away from all.

### **Accumulation Rights**

Because of our unique vacation policy, vacation time may not be carried over and accumulated in subsequent calendar years or be owed to you if you leave. It's a use it or lose it deal.

### **Example Three:**

*Only employees who have worked for one consecutive year for AGENCY are eligible for Flexible PTO. (Employees who are in their first year follow the standard STATE guidelines for time off for businesses with 11-50 employees).*

### **Flexible PTO Policy**

#### **What it is:**

EVERYONE has a job to do. As it relates to your time at the office, you should have a good deal of latitude in deciding what works best for you so long as you are meeting the needs of our clients, your team and AGENCY. That means you might need to stay late for clients out of our time zone or work long hours during a period of client planning or extreme deadlines. AGENCY takes pride in the incredible work ethic of our employees and want to reward that dedication with a Flexible PTO Policy. Instead of a traditional vacation and/or sick policy, you may request PTO as you see fit. That means nothing accrues and nothing expires. Nothing will show up on your paystubs. There are no forms that need to be routed. Time off is yours to enjoy when you like so long as you follow a few courtesies to ensure we are all playing by the same rules and looking out for each other.

#### **What PTO can be used for:**

PTO may be used for planned vacations, illness, family illness, household emergencies, inclement weather when not able to work from home, doctor's appointments for yourself or a family member, or other personal matters requiring you to take time off from work. Please refer to AGENCY's "Other Types of Leave" located in the Employee Handbook for additional conditions related to Jury Duty, Bereavement, Family Leave, Medical Leave and Military Leave. Please ask our Business Manager should you have additional questions.

#### **How to take PTO:**

PTO scheduling is subject to approval by your Manager, who has sole discretion to approve or deny requests under this policy. AGENCY encourages you to schedule for times that won't cause significant disruption to client services or team operations. Because we are a small office, certain restrictions do apply including:

- No more than one week of PTO at a time.
- No recurring PTO; for instance, you cannot take every Wednesday off.

In order to take PTO, an employee must complete the following:

## **1. Request Time Off**

Planned absence:

- Tell your Manager and the Business Manager in advance of any planned absence and the day(s) you are requesting off.
- If you are requesting a full one (1) week PTO, you should make the request at least one month in advance if possible. The more in advance you plan, the better. (Because we are a small office, we cannot allow for more than one consecutive week at a time)
- Your Manager will determine if s/he thinks your work can be appropriately covered by others. According to business needs, your Manager will make reasonable efforts to approve your request. PTO will be granted on a first-come, first-served basis.
- Requests should be made by email in order for us to have a record.

Unplanned absence:

- You must inform your Manager as soon as possible in cases of an unexpected absence.
- In all cases of unexpected absence, employees must provide a reason or explanation satisfactory to AGENCY (such as illness, last minute doctor's appointment, family or home emergency).
- Employees must inform his/her Manager of the expected duration of unscheduled absences.
- If an employee is absent from work due to an unplanned sickness or injury for three (3) consecutive days or more, the employee must provide a doctor's note certifying that he or she is fit to return to work.
- An employee who is absent from work for two (2) consecutive days without notifying his or her supervisor or obtaining permission for such absence will be considered a voluntary termination.

## **2. Report Time Off**

- Add the time you will be away to both on your gmail calendar and invite the Business Manager.

- Report your time away as PTO on your Workamajig timesheet.

### **3. During your time off**

- We expect that you will take care of your responsibilities and clients before you leave and upon your return.
- We also expect that you will prepare files, information, contact names/numbers so that your team can cover for you in your absence. Report your time away as PTO on your Workamajig timesheet

If an Employee is unable to meet these expectations, AGENCY reserves the right to revoke the PTO. If gross abuse of the PTO guidelines is observed, disciplinary action may be taken, and this may include termination of employment.

This policy is built on trust – a belief in one another that we will do the right thing, that we will act responsibly and that we will ensure our work gets done on-time and with the highest quality. If there is a breach of that trust, we will work to fix that breach as a group as quickly as possible.

This Policy supersedes time off policies as documented in the Employee Handbook or in other written or electronic versions referencing Paid Time Off that you may have previously received.

In closing, our PTO policy is simple: we assume our employees are grown-ups and conduct themselves accordingly. We expect that you will not abuse the policy and you will be there for your team members, just as you would expect them to be there for you.

## **OTHER TYPES OF LEAVE**

### **Bereavement Leave**

Full time employees are currently eligible for paid leave of up to three (3) days to attend the funeral of an immediate family member. Immediate family is defined as your spouse, parents, children, sisters, brothers, grandparents, grandchildren, and your mother and father-in-law. In the event of a death of a near relative, full time employees are currently granted up to one (1) paid day to attend a funeral. Near relatives include your aunts, uncles, nieces, nephews and your spouse's grandparents, brothers, sisters, and other close relatives. If more time off is needed than provided above, you will need approval from your manager.

## **Jury Duty**

AGENCY recognizes jury duty as a civic responsibility of everyone. When summoned for jury duty, you should notify your supervisor immediately and you are granted leave to perform your duty as a juror. You will receive whatever regular pay is required by law during your jury service.

## **Family Leave/Medical Leave of Absence**

In general, a family or medical leave of absence is an official authorization to be absent from work for a specified period of time, not to exceed 12 weeks in any two-year period. Employees must have at least six (6) months of service to be considered eligible for a family or medical leave of absence.

A family leave may be granted upon the birth or adoption of a child of the employee, or upon the serious health condition of the employee, employee's child, spouse, or parent.

Family and Medical leave is an unpaid leave. Employees may use PTO to cover the first two (2) weeks of family or medical leave. A medical leave may be granted upon the employee's own serious health condition. Employees on a medical leave of absence may receive disability pay if eligibility requirements are met in accordance with the provisions of the disability insurance plan offered through the group insurance. Currently, AGENCY continues all applicable group insurance for an employee on leave for a maximum of **8** weeks as long as the employee continues to pay the employee's portion of the premium.

Holiday, jury duty and bereavement pay will not be paid during this leave. Although every effort will be made to accommodate an employee's request for a leave of absence, no job reinstatement guarantee is made, and no leave of absence will be granted if the leave could adversely interfere with the operations of the employee's department or the firm.

If you take leave because of your own serious health condition, you are required to provide medical certification that you are fit to resume work. You may obtain a return to work slip from your physician. If you fail to provide a return to work slip from your physician, you will not be permitted to resume work until it is provided. The cost of any examinations needed to provide such certification shall be borne by the employee. Employees who wish to return to work early must provide reasonable notice to AGENCY (at least one or two days) of their intent to return and the date they expect to return.

## **Military Leave**

Employees granted a military leave of absence are reinstated and paid in accordance with the laws governing veteran's reemployment rights.

## **FLEXIBLE PTO POLICY**

### **ACKNOWLEDGEMENT OF RECEIPT**

(Signature area)

## **Example Four:**

### **Flexible PTO Policy**

AGENCY derives value in our ability to remain flexible and nimble and our Paid Time Off (PTO) policy should reflect just that. That's why AGENCY does not have a traditional sick, vacation or paid time off policy. Instead, you may request PTO as you see fit. You do not "accrue" PTO days as in traditional plans, and therefore will not be compensated for any "unused" PTO time upon termination of employment. This policy is for exempt, salaried employees only.

PTO may be used for planned vacations, illness, family illness, household emergencies, inclement weather when not able to work from home, doctor's appointments for yourself or a family member, or other personal matters requiring you to take time off from work. Please refer to AGENCY's "Other Types of Leave" located in the Employee Handbook for additional conditions related to Jury Duty, Bereavement, Family Leave, Medical Leave and Military Leave. Please ask your Manager should you have additional questions.

PTO scheduling is subject to approval by your Manager, who has sole discretion to approve or deny requests under this policy. AGENCY encourages you to schedule for times that won't cause significant disruption to client services or team operations. In order to take PTO, an employee must complete the following:

## 1. Request Time Off

Planned absence:

- Tell your Manager in advance of any planned absence and the day(s) you are requesting off.
- If you are requesting more than one (1) week PTO, you should make the request at least one month in advance. The more in advance you plan, the better.
- Your Manager will determine if s/he thinks your work can be appropriately covered by others. According to business needs, your Manager will make reasonable efforts to approve your request. PTO will be granted on a first-come, first-served basis.
- All requests greater than one (1) week in duration requires CEO or COO sign off.

Unplanned absence:

- You must inform your Manager as soon as possible in cases of an unexpected absence.
- In all cases of unexpected absence, employees must provide a reason or explanation satisfactory to AGENCY.
- Employees must inform his/her Manager of the expected duration of unscheduled absences.
- If an employee is absent from work due to an unplanned sickness or injury for three (3) consecutive days or more, the employee must provide a doctor's note certifying that he or she is fit to return to work.
- An employee who is absent from work for two (2) consecutive days without notifying his or her supervisor or obtaining permission for such absence will be considered a voluntary termination.

## 2. Report Time Off

- Add the time you will be away to both on your gmail calendar and the PTO calendar.
- Report your time away as PTO on your Workamajig timesheet.

If an Employee is unable to meet these expectations, AGENCY reserves the right to revoke the PTO. If gross abuse of the PTO guidelines is observed, disciplinary action may be taken, and this may include termination of employment.

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### **Jury Duty**

AGENCY recognizes jury duty as a civic responsibility of everyone. When summoned for jury duty, you should notify your supervisor immediately and you are granted leave to perform your duty as a juror. You will receive whatever regular pay is required by law during your jury service.

### **Family Leave/Medical Leave of Absence**

In general, a family or medical leave of absence is an official authorization to be absent from work for a specified period of time, not to exceed 12 weeks in any two-year period. Employees must have at least six (6) months of service to be considered eligible for a family or medical leave of absence.

A family leave may be granted upon the birth or adoption of a child of the employee, or upon the serious health condition of the employee's child, spouse, or parent.

Family and Medical leave is an unpaid leave. Employees may use PTO to cover the first two (2) weeks of family or medical leave. A medical leave may be granted upon the employee's own serious health condition. Employees on a medical leave of absence may receive disability pay if eligibility requirements are met in accordance with the provisions of the disability insurance plan offered through the group insurance. Currently, AGENCY continues all applicable group insurance for an employee on leave for a maximum of 12 weeks as long as the employee continues to pay the employee's portion of the premium.

Holiday, jury duty and bereavement pay will not be paid during this leave. Although every effort will be made to accommodate an employee's request for a leave of absence, no job reinstatement guarantee is made, and no leave of absence will be granted if the leave could adversely interfere with the operations of the employee's department or the firm.

If you take leave because of your own serious health condition, you are required to provide medical certification that you are fit to resume work. You may obtain a return to work slip from your physician. If you fail to provide a return to work slip from your physician, you will not be permitted to resume work until it is provided. The cost of any examinations needed to provide such certification shall be borne by the employee. Employees who wish to return to work early must provide reasonable notice to AGENCY (at least one or two days) of their intent to return and the date they expect to return.

### **Military Leave**

Employees granted a military leave of absence are reinstated and paid in accordance with the laws governing veteran's reemployment rights.

(Signature area)

### **Example Five:**

There's No Cap!

If you are a full-time employee, AGENCY has no fixed cap on vacation time, sick time, bereavement leave or other types of leave after your first year of employment. You are a professional and we trust you, as long as you do not abuse this privilege. Abuse of this policy by just one person may result in it being taken away from all. Here are a few things that constitute abuse:

- Being excessive with how much time you take.
- Taking off more than two weeks in one stretch without EXTREMELY advanced prior approval.
- Not billing enough hours or getting your work done before you leave.
- Leaving your team in a bind.
- Not communicating with your supervisor and teammates about your status.

Above all, use common sense and communicate!

Note that there is no such thing as “accrued leave hours” at AGENCY. Therefore, no vacation or sick leave time will be paid out upon termination of employment for any reason.

#### Part Time Employees

If you are a part time employee, you may have a specific amount of paid leave built into your compensation package. This leave covers paid leave for all purposes, including vacation, sick leave, or any other form of paid leave. Note that paid leave is not earned until it is used, so unused leave will not be paid about upon termination of employment.

#### Vacation Time

During your first year of employment – after your 90-day probationary period – you may take up to eight workdays of paid vacation. After the first year, there is no cap. Vacation must be requested and approved in advance. Note that there is no guarantee that vacation time will be approved. We have to maintain business continuity, so put your requests in early.

Daily time sheets are still required while you’re out of the office. Use the CODE project to add time to the Vacation Time Task. This can be completed all at once before you leave or after you return.

#### HOW TO REQUEST:

- Submit your request at least (2) weeks in advance – sooner if possible.
- Email your supervisor and traffic manager to request the time off.
- Once you get an OK from them, add it to the WMJ Calendar and block your time.
- Create a timesheet for that day and enter 8 hours of vacation time (repeat for additional days, if needed).
- Enjoy your time off!

## Sick Time

If you are sick (especially during cold and flu season) or injured and unable to work, please stay home and get better. Daily time sheets are still required while you're out sick if you're mentally and physically able to do them. If you are not able, you may do them when you return to work. Use the UB-PTO project to add time to the Sick Time Task.

You may be asked to provide documentation of your illness (such as a doctor's note).

For full time employees, If you are sick for longer than 15 calendar days (or are pregnant), AGENCY will cover your salary for that first 15 days. For part time employees, AGENCY will cover your lost wages up to the amount of paid leave that you have available, if any.

After 15 days, you may be eligible for benefits under our Short-term Disability Insurance policy. See the actual policy documents for eligibility requirements. If you are eligible, you will be paid at 60 percent of your salary for as long as medically necessary (up to 90 days).

We also have Long-term Disability insurance, if you're out longer than 90 days, which is also paid at 60 percent of your salary if you are eligible. See the actual policy documents for eligibility requirements.

If your situation is not covered by our short or long-term disability insurance, your leave will be unpaid after 15 days. We will do our best to hold your position open for you if you are out sick, but we can only guarantee that we will hold your position open for 15 days.

## HOW TO NOTIFY:

- Let your supervisor and traffic manager know as soon as you realize you'll need to take the day off, via email or chat.
- After you've notified your supervisor and traffic manager, inform the entire staff via email or chat so they'll be aware of your situation.
- If you are sick for more than a day, keep us posted every morning and focus on getting better!

## Bereavement, Jury Duty, EtC.

There may be other times when you have to be absent from work for unpleasant reasons, sometimes unexpectedly — things like a death in the family or jury duty. This would definitely be no vacation for any of us, but in our policies & procedures realm, you can think of it in the same way as Vacation Time (see policy above). Be responsible, don't abuse it (i.e., Viking funeral for your cousin's hamster) and know that your co-workers are with you in good and not-so-good times.

### Other Leaves of Absence

Circumstances may arise where you have to take off for longer than a couple of weeks for some reason not covered above. After the first two weeks (15 calendar days), leave will be unpaid, unless you qualify for benefits under our short or long-term disability policies (see above). Each situation is different, so please communicate with your supervisor and traffic manager as far in advance as you can, keep them in the loop about what is going on, and they will do their best to work with you. We cannot guarantee that we can hold your position open if you are absent for more than 15 days.

### COMPANY HOLIDAYS

The office will be fully closed on the following days:

- New Year's Day
- 1/2-Day Good Friday
- Memorial Day
- Independence Day
- Labor Day
- 1/2-Day Wednesday Prior to Thanksgiving Day
- Thanksgiving Day
- Friday after Thanksgiving Day
- Christmas Eve\*
- Christmas Day\*
- December 26\*
- 1/2-Day New Year's Eve

You will still need to complete your timesheets for company holidays. Please do them ahead of time using the UB-PTO project.

\*In the event that Christmas falls on a Saturday, the days off will be the three working days prior to the holiday. In the event that Christmas falls on a Sunday, the days off will be the three working days following the holiday.

We realize that some of the pre-set holidays listed above are Christian observances. Employees of another faith may choose to work on Christian holidays in exchange for taking an equal number of holidays for the observance of their own faith. All full-time employees are eligible for paid holidays at their normal rate of salary.