

Title:	Paid Time Off (PTO)		
Department/Service Line:	Human Resources		
Approver(s):	Jeffrey Lyle, CEO; Board of Directors		
Location	FCHC		
Effective Date:	01/01/2019	Last Review/ Revision Date	

PURPOSE

The Paid Time Off (PTO) policy of Falls Community Hospital and Clinic ("Hospital") will be used to accrue hours for use by its full-time and part-time employees for vacation, holidays, and sick days. PTO combines these leave benefits and administers them under one group, thus allowing employees greater flexibility to respond to personal and family needs. In addition, PTO encourages employees to plan and schedule absences in advance, considering the needs of fellow employees and their department.

PROCEDURE

1. Eligibility

- A. PTO policy applies to regular full-time and part-time employees only.
- B. An initial introductory period of 90 days from date of hire will be applied. Employees will accrue PTO during these 90 days but will only be able to use such accrued time once the 90-day waiting introductory period has been satisfactorily completed. If an employee terminates prior to the expiration of 90 days, accrued PTO will be forfeited.
- C. If an employee has an employment status change from PRN to part-time and/or full-time, accrual of PTO will be in accordance with 1.B above from the date of first full-time day of work. A 90-day introductory period will apply.
- D. If an employee has an employment status change from full-time and/or part-time to PRN, PTO will cease to accrue. All accrued PTO may be paid to the employee on the last paycheck as a full-time employee. The employee will be required to give the same notification as a terminating employee as shown below.
- E. Rehired employees will be required to meet the eligibility criteria over and accrual rates will start from year one.

2. Accrual of PTO

- A. PTO hours will accrue each pay period based on the number of hours worked as illustrated below.
- B. Overtime hours will not accrue PTO.
- C. Call-back hours will not accrue PTO.
- D. For employees on educational trips, accruals will be based on the employee's regularly scheduled shift (if scheduled to work that day) or actual number of hours in the seminar, whichever is greater. Time spent traveling to and from will not be eligible for PTO accruals. If an employee is scheduled to work that day, he or she will be required to return to work and complete the shift. If an employee is not scheduled to work that day, the accrual will be on those hours attending the actual seminar.
- E. Employees do not accrue PTO hours unless actually working. PTO does not accrue during any leave of absence (FMLA, Workers' Compensation, Sick, etc.)
- F. Employees do not accrue PTO hours on PTO hours used. For example, if an employee normally works 2080 hours in a year and takes 80 hours vacation during the year, that employee would accrue PTO hours on 2000 hours worked.

G. The following are the accrual rates per hour worked based on years of continuous service:

Years of Service	Accrual Rate per Bi-Weekly Pay Period	Annual PTO Accrual*	Maximum Accrual** ("PTO CAP")
0-3 years	5.231 hours	17 days (136 hours)	33 days (264 hours)
4-10 years	6.769 hours	22 days (176 hours)	42 days (336 hours)
More than 10 years	7.692 hours	25 days (200 hours)	48 days (384 hours)

**Full-time annual PTO accruals are based on an employee having 2,080 paid hours per year (40 hours per week).*

***no PTO hours will accrue beyond the maximum accruals listed*

Years of Service	Accrual Rate per Bi-Weekly Pay Period	Annual PTO Accrual*	Maximum Accrual** ("PTO CAP")
All Years	1.528 hours	5 days (40 hours)	12 days (96 hours)

**Part-time annual PTO accruals are based on an employee having 1,040 paid hours per year (20 hours per week).*

***no PTO hours will accrue beyond the maximum accruals listed*

H. The maximum number of PTO hours that can be accrued is based on years of service. Accrual of PTO hours will be discontinued once the PTO Cap has been met. Once the number of hours accrued drops below the cap, accrual will begin again.

3. Use and Payment of PTO

A. PTO is the only form of compensation available to employees for scheduled and non-scheduled absences (vacation, holidays, illness, planned and unplanned personal absences, disabilities, and appointments). The following are currently the holidays the hospital recognizes:

New Year's Day	Memorial Day
July 4 th	Labor Day
Thanksgiving	Christmas Day

B. PTO is always paid at the base rate of pay and always subject to standard federal withholdings.

C. Employees may not borrow against time that has not been earned. PTO earned during the current pay period will not be available until the following pay period.

D. Requests for PTO should be made in accordance with existing departmental procedures requesting time off. All approved requests for PTO must be turned into the Payroll Department by Wednesday following last payday. All requests received after this time will be added to the next paycheck.

E. If PTO is available, employees absent from a regularly scheduled shift are required, at a minimum, to use PTO for the time missed in order to maintain full-time status. Employees may not request PTO which would cause the total number of hours paid to exceed the employee's regularly scheduled number of hours for each two-week pay period, the only exception being due to a carry-over request from the previous payroll as per 3.D above. If an employee does not have the required PTO hours to maintain full-time status for four (4) consecutive pay periods, it will be at the discretion of the administrator and department head to reclassify employee as part-time.

- F. An employee on an approved leave of absence may use PTO in amounts less than their regularly scheduled hours in order to provide for authorized paycheck deductions (Account payment, voluntary benefit premiums).

4. Termination of Employment

- A. Employees giving proper notice of termination and working all scheduled hours and shifts per the employee handbook will be paid for their PTO hours at 100% of their current value less appropriate taxes.
- B. Failure to give notice of resignation or failure to work all scheduled shifts following notice of resignation will result in forfeiture of all accrued PTO. It will be at the discretion of the administrator to waive the required notice of termination.