

Holiday/Vacation Policy

The following sample company policy statements are for holiday leave. Generally, holidays are paid leave with no loss of credit for the employee's length of service with the company. The policy below mentions Floating Holidays, which are a couple of days you designate each year just to give your employees a little more time off. If you don't want to offer Floating Holidays, you should remove the reference. If you want your policy to differ in other ways from the policy set out below, you should change this policy to reflect those differences. If you make substantive changes to this policy, however, you should have your attorney look over the changes. A list of holidays typically provided by employers is also included.

Annual Holidays

[YOUR COMPANY] observes the following holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Eve
- Christmas Day
- Floating Holiday
- Personal Holiday

Paid Holidays

All full-time employees will receive holiday pay of eight straight time hours at their regular rate, provided the following conditions are satisfied:

1. Work a full shift on the employee's last scheduled work shift prior to the paid holiday.
2. Work a full shift on the employee's first scheduled work shift following the holiday.
3. Should the employee be unable to work either of these two days because of illness, proof of illness will be required in order to qualify for the paid holiday.

The shift differential for second and third shift employees will not be included in holiday pay.

Holiday pay will not be paid if:

1. The employee has been on the payroll for less than 90 days.
2. The employee is on lay-off status.
3. The employee is a temporary or seasonal employee.
4. The employee is on leave of absence when the holiday occurs.
5. The employee is requested to work during a paid holiday and the employee refuse to do

so.

Employees who are requested to work during a paid holiday will receive holiday pay plus regular pay.

Paid Holidays During Vacations and Weekends

If a holiday occurs during the employee's vacation, the employee's vacation will be extended by the number of holidays falling during the vacation period or an equal number of vacation days will be carried forward for future use.

If any scheduled paid holiday falls on a Saturday, the holiday will usually be observed on the preceding Friday. If the holiday falls on a Sunday, the following Monday will usually be observed as the holiday.

Overtime

Holidays are not considered a day worked for purposes of calculating overtime unless work is actually performed.

[The Floating Holiday clause below may be removed if it does not apply to your circumstances.]

Floating Holidays

In addition to the named holidays for which eligible employees will receive paid time off, [YOUR COMPANY] will schedule two floating holidays each year. Floating holidays will be scheduled so as to provide eligible employees with extended weekends by combining them with named holidays.

At the beginning of each calendar year, the employee will receive a complete schedule of paid holidays, including paid floating holidays.

[The Personal Holidays clause below may be removed if it does not apply to your circumstances.]

Personal Holidays

In addition to scheduled paid holidays, eligible employees are given two floating holidays annually to be used as personal time off. Before scheduling a personal holiday, the employee must obtain approval. Requests for personal holidays must be made in writing not less than 10 days in advance of the requested date.

Religious Holidays

[YOUR COMPANY] recognizes that there may be religious holidays (other than those already designated as holidays) that employees would like to observe. It may be possible to arrange these holidays as scheduled days off, authorized absences without pay or personal time off. Requests for time off to observe religious holidays must be approved.

Vacation Time

At the end of the employee's first year as a full-time employee of [YOUR COMPANY], an employee is entitled to [number] days of paid vacation. The employee's vacation days increase to [number] days after five years of continuous employment with [YOUR COMPANY], [number] days after 15 years of continuous employment with [YOUR COMPANY], and [number] days after 30 years of continuous employment with [YOUR COMPANY].

Vacation time may be taken in increments of one full day but in all cases must be prescheduled and preapproved. One day of vacation for every five days that an employee is entitled to may be carried over to the following year, but must be used before [date].

[YOUR COMPANY] does not provide paid vacation time for part-time employees.

Vacation Pay

Vacation pay is the employee's regular rate of pay, excluding overtime or holiday premiums. If the employee's regular rate of pay varies from week to week, the employee's vacation pay will equal the employee's average weekly hours or scheduled hours in the previous calendar quarter not to exceed 40 hours.

Pay will not be granted in lieu of vacation time not taken.

Scheduling Vacations

[YOUR COMPANY] will attempt to grant all employees vacation at the time they desire to take it. However, [YOUR COMPANY] must maintain adequate staffing at all times. Therefore, vacations must be scheduled in advance and with prior written approval.

Where conflicts develop, they will be resolved as fairly as possible. Preference will be given to the more senior employee, the employee who can demonstrate the greater need for vacation at the conflicting time or the employee who makes the earliest request.

[The Plantwide Shutdown clause below may be removed if it does not apply to your circumstances.]

Plantwide Shutdown

It is [YOUR COMPANY] practice to have an annual shutdown of [period of time] during the month of [month]. All employees, with the exception of essential personnel, will take their normal vacations at this time. For those employees who are entitled to more than 10 days of vacation, the balance of that vacation must be scheduled. Employees who have been employed for less than one year receive paid vacation in the amount accrued as of the annual plant shutdown, providing they have completed six months of service at [YOUR COMPANY].

Holiday or Illness During Vacation

When a holiday occurs during the employee's vacation time, the employee will still receive pay for the holiday in addition to the employee's vacation pay or the employee may select another day off.

If the employee is hospitalized while on vacation, the time from the date of the employee's hospitalization until the employee's doctor releases the employee may, at the employee's option, be charged against the employee's short term disability benefits, rather than the employee's vacation time. If this happens, the employee must notify [Your Company]. If the employee becomes ill while on vacation, but the employee is not hospitalized, the employee's absence is charged against vacation time.

Termination and Vacation Pay

When employment ends for any reason, vacation time earned but not taken by the employee will be included in the employee's final paycheck. At the same time, vacation time taken in advance will be deducted from the final paycheck.

Vacation Accrual Methods

The following is a sample vacation accrual chart. You can modify your vacation accruals to reflect additional credit for any factor you feel deserve additional vacation as long as you are nondiscriminatory. If you make substantive changes to this policy, you should have your attorney look over the changes.

Basic seniority Accrual Method

Employees who have completed one year of service and who work a 5-day, 40-hour week, are entitled to vacation as follows:

Service	Vacation entitlement in week/hours
After 1 year	1 week/40 hours
After 2 years	1 week plus 1 day/48 hours
After 3 years	1 week plus 2 days/56 hours
After 4 years	1 week plus 3 days/64 hours
After 5 years	2 weeks/80 hours
After 6 years	2 weeks/80 hours
After 7 years	2 weeks/80 hours
After 8 years	2 weeks plus 1 day/88 hours
After 9 years	2 weeks plus 2 days/96 hours
After 10 years	3 weeks/120 hours
After 11 years	3 weeks/120 hours
After 12 years	3 weeks/120 hours
After 13 years	3 weeks/120 hours
After 14 years	3 weeks/120 hours
After 15 years	3 weeks/120 hours
After 16 years	3 weeks plus 1 day/128 hours
After 17 years	3 weeks plus 1 day/128 hours
After 18 years	3 weeks plus 1 day/128 hours
After 19 years	3 weeks plus 2 days/136 hours
After 20 years	4 weeks/160 hours
After 21 years	4 weeks/160 hours
After 22 years	4 weeks/160 hours
After 23 years	4 weeks/160 hours
After 24 years	4 weeks/160 hours
After 25 years	5 weeks/200 hours

Vacation must be taken during the calendar year at times convenient to you and your supervisor.

Seniority Accrual Method (#2)

Vacation accrual is usually based on some element of seniority. Most companies reward long-term employees with additional vacation days. Illustrated below is another basic policy that accrues vacation based on years of service and is more generous than the first sample.

Service	Vacation
6 months	1 week
1 year	2 weeks
2 years	2 weeks, 1 day
3 years	2 weeks, 2 days
4 years	2 weeks, 3 days
5 years	2 weeks, 4 days
6-10 years	3 weeks
11 years	3 weeks, 1 day
12 years	3 weeks, 2 days
13 years	3 weeks, 3 days
14 years	3 weeks, 4 days
15-24 years	4 weeks
25 or more years	5 weeks

Vacation Accrual for New Employees

Vacation accrual based on years of service do not address new employees who are hired after the beginning of the year. One way provide vacation to new employees during the year of hire is assign a schedule of vacation days based on month of hire.

The schedule could be set up as follows:

Month of Employment	Vacation Days
January	10 days
February	9 days
March	7 days
April	5 days
May	4 days
June	3 days
July	2 days
August	1 day
September-December	0 days

Simple Monthly Accrual

Another method of vacation accrual is based upon crediting employees with one day of vacation for each month of active employment. As employee gain seniority they earn more days of vacation per month and are eligible to accrue a greater number of vacation days each year.

This type of accrual schedule might look like this:

1-5 years of service: an employee earns 1 day per month up to a maximum of 10 day per year.

6-15 years of service: an employee earns 1.5 days per month up to a maximum of 15 days per year.

16-25 years of service: an employee earn 2 days per month up to a maximum of 20 days per year.

26 or more years of service: an employee earns 2.5 days per month up to a maximum of 25 days per year.

Part-Time Accrual

Part-time employees may be eligible for vacation accrual on a pro-rata basis based upon their regular workweek.

Thus, under the accrual schedule above, a regular part-time employee (in the first through fifth year of service) who regularly works 20 hours per week could earn one vacation day per month up to a maximum of 10 days. One day of vacation would equal four hours (20 hours per week divided by five days in the week) and the maximum vacation time that could be earned would be 40 hours (10 days multiplied by four hours).

Funeral Leave Policy

The following sample company policy statements are for funeral leave. Generally, funeral leave is granted with pay and without loss of credit for the employee's length of service with the company. If you want your policy to differ from the policy set out below, you should change this policy to reflect those differences. If you make substantive changes to this policy, however, you should have your attorney look over the changes.

Salaried Employees

The purpose of funeral leave is to provide you with time to attend the funeral of a member of your family and to handle personal affairs without disrupting your income. Only permanent full-time employees are eligible for funeral leave benefits, and the benefits become effective after you complete your training and adjustment period.

Time allowed: You may be granted up to a three-day leave (three consecutive working days) with pay in the event of the death of an immediate family member.

Definition of immediate family member: The term immediate family member is defined as:

- Brother
- Child
- Father
- Father-in-law
- Husband
- Mother
- Mother-in-law
- Sister
- Stepbrother
- Stepchild
- Stepfather
- Stepmother
- Stepsister
- Wife

Funeral pay: Your funeral leave pay will be figured at your regular rate of pay.

Leave without pay: If you are not eligible for funeral leave with pay, you may be given time off without pay in case of a death in the family. Time off without pay may be arranged to attend the funeral of a close friend. Each day off will be counted as an absence without pay.

Forfeiture: You forfeit your rights to funeral leave benefits if you terminate employment before returning to your assigned position to work at least one workday after you have used funeral leave benefits.

When you are granted funeral leave benefits, it is mandatory that you attend the funeral of the relative for whom such funeral leave was requested. We reserve the right to ask you to supply the name and relationship of the deceased and the name of the funeral home that handled the

arrangements.

Sample (hourly employees)

All hourly employees, subject to the conditions below, will receive funeral leave in the event of a death in their immediate family. The employee will be compensated for his scheduled work hours from which he is absent due to the funeral leave, not exceeding eight hours each day, at his regular basic straight time hourly rate.

The following points will be considered in determining whether an employee will receive pay for funeral leave:

- Employee has to have been continuously employed for 90 days prior to the death of someone in his immediate family.
- Immediate family is defined as spouse, child, parent, brother, or sister of the employee.
- Funeral leave will be granted from work for three consecutive days, including the day of the funeral, but limited to one day following day of funeral.
- The funeral allowance will be paid only for scheduled work time lost and will not be counted in computing overtime.
- No funeral allowance will be paid unless the employee gives reasonable prior notice of his intended absence from scheduled work and the time and date he intends to return to work.
- No funeral allowance will be paid if the employee does not attend the funeral.
- Promptly upon return to work, the employee must apply for the funeral allowance. Proof of relationship to the deceased may be required.

Sample Sick Leave Policy

The following sample company policy statements are for sick leave plans. Generally, sick leave is granted with pay and without a loss of credit for the employee's length of service with the company. If you want your policy to differ from the policies set out below, you should change these policies to reflect those differences. If you make substantive changes to these policies, however, you should have your attorney look over the changes.

Pay for Illness

Employees will become eligible to participate in the paid time for illness program as follows:

- if employed prior to July 1, employees will be allowed up to 10 days in the following year
- if employed between July 1 and December 31, employees will be allowed up to five days in the following year, and up to five days in the succeeding years.

In addition to illness, sick leave may also be granted for medical, dental, or optical examinations or when a member of your household requires your personal care and attention due to illness.

Pay and benefits during sick leave. Illness pay will be based on a regular eight-hour day at straight time and at the employee's base rate. Illness absence of less than three hours in a day will not be considered for payment. Saturdays, Sundays, daily overtime hours, paid holidays, and paid vacation time are excluded as time for which payment will be made under this program.

Weekly insurance benefits will continue to be paid commencing with the first day of certified disability due to accidents and the fourth day due to illness. Thus, in accident and illness cases, the insurance benefit will be paid rather than the paid illness allowance, and any unused illness allowance will be available for use later in the year as needed.

Certification of illness. Certification of illness by a physician will not normally be required to qualify for payment under this program.

Effect on performance. While the company pays you for authorized sick days, we expect you to be honest with us in taking days off only when you are actually ill. Any abuse of this benefit will be taken into account in evaluations of your performance. The company reserves the right to require a statement from your doctor.

At termination. When termination of employment occurs, no payment for sick leave will be made.

Accrual of Sick Leave

Starting with the first day of employment, sick leave will accumulate at the rate of one (1) day per month. Sick leave may accumulate to a maximum of sixty (60) days.

An employee may receive compensation for his/her sick leave that has accumulated in excess of 60 days at the rate of one day's pay for each two days of sick leave accumulated in excess of

60 days. Payment for unused sick leave will be made during the month of December each year, or at other times as designated by [person who approves sick leave].

One day of sick leave for those employees who normally work a 40-hour week shall be eight hours. A day of sick leave for employees working fifty-six (56) or more hours per week shall be twelve (12) hours.

Permanent part-time employees are entitled to sick leave as earned on a pro rata basis. No sick leave shall accumulate to seasonal or temporary employees. All sick leave payments are to be approved by [person who approves sick leave]. Thus, any employee who is ill is responsible for reporting his or her absence to the appropriate person within one hour after his or her designated time for reporting to work.

Personal Leave Policy

The following sample company policy statement is for personal leave. Generally, personal leave is granted without pay, but without loss of credit for the employee's length of service with the company. Not all companies allow employees to retain their service credit, however. If you want your policy to differ from the one below, you should modify it to fit your circumstances. If you make substantive changes to this policy, however, you should have your attorney look over the changes.

A personal leave of absence without pay may be granted an employee at the discretion of the company. A personal leave of absence is defined as an absence of two weeks or longer. It is not our general policy to grant personal leaves of absence and such leaves will be granted only under unusual circumstances. A personal leave of absence is not available instead of medical leave.

Granting of such a leave depends on the review of the merits of each case, including the effect the employee's absence will have on the workload of the other employees. Probationary employees are not generally eligible for leaves of absence. An employee must have one year of continuous employment before such a leave will be considered.

Applications for leaves of absence may be granted or rejected as dictated by the judgment of [name of person who approves requests].

Salary and benefits are not payable to an employee while the employee is on a personal leave of absence, with the exception of company-paid term life insurance that is continued for eligible employees for one year of a leave of absence. Health insurance may be continued if the employee pays the full premium at the group rate. Although employees do not accrue benefits while on leave, those benefits accrued up to the time the employee started the leave will be retained.

The employee's exact position, tour of duty, or work area may not be guaranteed upon return from a personal leave of absence; however, all efforts will be made to place the employee in the first available similar job with similar pay. The employee's date of initial employment will be adjusted to reflect the time spent on personal leave.

It is the employee's responsibility to return to work on the date the leave of absence expires. Should the employee fail to return and fail to notify [name of person who should receive requests] of a request for an extension, we will assume that the employee does not intend to rejoin the company and will consider the employee to have resigned from employment. A request for extension of a leave of absence must be in writing and must be received at least five working days prior to the expiration of a leave.

Jury Duty Policy

Jury duty leave is usually granted without any loss of credit for the employee's length of service with the company. Leave is frequently paid by the employer, with the understanding that the jury duty stipend paid by the court system is turned over by the employee to the employer. If you want to allow your employees to keep the stipend, you should modify this sample accordingly. If you make substantive changes to this policy, however, you should have your attorney look over the changes.

Paid Absence

Time off taken for jury duty is treated as a paid absence for up to [time limit] during any one year. Employees are paid for the time they are absent for jury duty, less the amount they receive for performing jury duty service.

[The above clause for pay during jury duty should be edited to reflect the jury duty laws in your state.]

Advance Notice

Employees must give advance notice of the need for time off for jury duty. A copy of the summons should accompany the request.

[The above clause for notification of need for jury leave should be edited to reflect the jury duty laws in your state.]

Return to Work

If employees are dismissed from jury duty before the end of the workday, they must report to work for instructions on whether to return for work for the rest of the workday.

Military Leave Policy

The following sample company policy statements are for military leave. Generally, military leave is granted without pay, or with an offset of pay, and without loss of credit for the employee's length of service with the company. If you want your policy to differ from the policies set out below, you should change these policies to reflect those differences. If you make substantive changes to these policies, however, you should have your attorney look over the changes.

It is the policy of [YOUR COMPANY] to permit employees to take military leaves of absence.

Military Activities

[YOUR COMPANY] will grant the employee's request for military leave of absence for [number] days per year to be used for military training, reserve duty, drills, maneuvers, etc. In addition, if the employee should be called to active duty, the employee may take active duty leave for up to [time limit—e.g., number of days or weeks]. Military leave is only granted to [YOUR COMPANY]'s permanent employees.

Employment Rights

The employee's employment rights will be preserved while the employee are on military leave. Pay increases, vacations, and other benefits that would have accrued had the employee not been on military leave of absence will be given to the employee upon returning to [YOUR COMPANY] after the military leave is over.

Reinstatement

Unless circumstances at [YOUR COMPANY] change so drastically while the employee is on annual or active duty military leave that reinstatement is impossible or impractical, when the employee returns to [YOUR COMPANY] after military leave, the employee will either be reinstated to the position the employee held before taking military leave or be given a similar position with the same seniority, status, and pay, if in either case the following conditions are met:

1. Proof of honorable discharge from duty.
2. Proof of ability to resume the position.
3. Notice of intention to return is given.

If the employee is unable to return to the same position after annual or active duty military leave, [YOUR COMPANY] will arrange for another position at the same seniority, status and pay.

Notice of intention to return to work must reach [YOUR COMPANY] within [number] days of the employee's discharge from military duty.

Annual Vacation Leave

Annual military leave of absence is in addition to any annual vacation leave the employee is entitled to. [YOUR COMPANY] will not make deductions from annual vacation leave for time spent on annual military leave.

Nondiscrimination

[YOUR COMPANY] makes it a policy not to discriminate in any way against employees who are members of the military. The employee's job will not be in jeopardy if a military leave of absence is requested or taken. In addition, the employee will not be discharged by [YOUR COMPANY] for one year after returning from military leave without just cause.

Pregnancy/Maternity Leave Policy

The following policy should be modified to reflect your circumstances. For example, if your short-term disability policy has terms and conditions that are different from the one referred to below, you should change the policy to reflect those terms. Also, you don't have to offer 16 weeks of leave. If you want to offer a different amount of time, you should modify this policy. If you make substantive changes to this policy, however, you should have your attorney look over the changes.

To be eligible for a pregnancy leave of absence, the employee must be a nontemporary, full-time female employee.

Maximum Length of Leave

The maximum length of pregnancy leave allowed is [number] weeks. If the employee needs a longer leave due to medical complications, the employee should notify [YOUR COMPANY] as soon as possible. The additional leave will be treated the same as any other medical or disability leave.

Written Requests

A written request for pregnancy leave must be submitted within a reasonable time. The employee must submit a written doctor's statement, indicating the anticipated delivery date. The employee should inform [YOUR COMPANY] of the expected duration of her pregnancy leave so that [YOUR COMPANY] may plan around the absence efficiently until her return.

Transfers

An employee requesting pregnancy leave may also ask for a transfer to another less strenuous or less hazardous position if so desired. The request must be in writing and must state the reason for the transfer.

Paid Leave

[YOUR COMPANY] provides for paid pregnancy leave for the period of [time limit—e.g., number of days or weeks]. The employee may use any accumulated paid sick days and/or paid vacation days to extend her pregnancy leave beyond the paid leave period. The employee will be paid for those designated days.

Medical Incapacity

At her option, the employee may continue to work up to the delivery date, depending upon the employee's medical circumstances and the nature of the employee's job. In the event the employee is physically incapable of performing her regular job duties at any time during her

pregnancy, the employee may request that the employee be placed on pregnancy leave. An advance notice of a minimum of one (1) week should be given, accompanied by a statement from the employee's physician attesting to the employee's incapacitation.

Benefits

While an employee is away from work on an approved pregnancy leave of absence, she continues to participate in [YOUR COMPANY]'s company employee benefit programs. [YOUR COMPANY] will endeavor to return the employee to the same or equal job she had before taking pregnancy leave. Although [YOUR COMPANY] does not guarantee a return to the identical job, the employee will suffer no loss in seniority.

Time Off to Vote

The following policy contains clauses that you will need to address in your policy. Edit these clauses below to reflect the requirements of your state's laws regarding time off to vote.

It is the policy of [YOUR COMPANY] to give employees time off to vote.

Advance Request

Before taking time off to vote, the employee must make a written request for time off [number of days of advance notice] days before voting day.

Paid Absence

Time off to vote will be treated as a paid absence.

Voting Hours

The employee is allowed [number of hours] hours of time off to vote. Time off to vote is granted if the polls open fewer than [number of hours] hours prior to work starting time or close fewer than [number of hours] hours after quitting time. Time off to vote may be taken before coming in to work or at the end of the workday.

Covered Elections

This time off to vote policy applies to [types of elections—e.g., federal, state, local] elections.