**Company ABC - Sample Unlimited PTO Policy**

Company ABC does not have a traditional leave accrual or bank system of any sort. Eligible employees will be free to take leave when they require it. Paid time off will be tracked for reporting purposes only. This unlimited PTO policy is meant to apply to time-off used for vacation, sick, bereavement and personal purposes, and is applicable for eligible employees only, replacing the PTO policy previously in use for these employees. This policy does not take the place of our existing medical leave policy, parental leave, jury duty, or any other applicable leave policies.

**Eligibility**

All active, full-time employees with 120 days of continuous service are considered eligible under this policy. Part-time employees fall under the state’s Earned Paid Leave referenced later in this handbook.

**Expectations**

Under this policy, employees are expected to:

• Recognize that at Company ABC, we value all employees’ contributions and are committed to communicating with our team members in advance when scheduling an absence or notifying the appropriate team member before the start of the workday when an unscheduled absence occurs.

• Understand that due to staffing, client, and business needs, sometimes, not all leave requests can be honored. Advance requests are still subject to the appropriate approval.

• Meet all established work & client expectations and goals despite the absences. Except for those on protected leave (such as state or federal family and medical leave), if an eligible employee is unable to meet the expectations outlined above, Company ABC reserves the right to temporarily revoke unlimited leave and convert the employee to a state Earned Paid Leave model defined below. Further, if gross abuse of this leave is observed, disciplinary action may be taken, which may include termination of employment without warning.

**How Unlimited Paid Time Off Works**

Company ABC does not limit the amount of PTO eligible employees can take. However, eligible employees must take at least 40 hours of paid time off each calendar to comply with the state’s Earned Paid Leave requirements and to ensure you have a positive work-life balance.

• Request Time Off: Employees wishing to take time off must formally request time off using our company time-off request process at least 10-business days in advance of the planned time off.

• Obtain Approval: Managers have the authority to approve or deny requests depending on business needs and workload during the requested dates. Managers will not approve time off requests in excess of 10 business days without authorization from the President.

• Avoid Key Dates: Some business-intense timeframes should be avoided for time off under this policy, including year-end (December 1 to January 31), the first weeks of a new quarter, and or other busy times of the year unique to your job or department needs.

• Maintain Performance: Employees on PTO under this policy are expected to maintain satisfactory performance objectives to include individual and company goals as defined by the business and management. Failure to maintain business performance/work results will be managed as a disciplinary issue.

**Guidelines**

• No Limits: There are no limits on how much time an employee can take under this policy each year, but employee performance will be managed throughout the year to ensure agreed-upon deliverables and work efforts are maintained in accordance with the employee’s job description and annual planning activities.

• No Accruals: Unlike traditional PTO policies, time does not accrue under this policy. In other words, there is no PTO/vacation time bank under this policy. Additionally, there is no rollover of this policy from year to year.

• No Payout. Because time does not accrue under this policy and paid time off is not a form of additional wages, no payout of unused time is available upon termination of employment without warning. There is no “cash out” option.

Employee Acknowledgement:

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