

Paid Time Off

There are many reasons you will want time off from work – to take a vacation, because you are feeling ill, to take care of sick children, to attend children’s school events, to wait for the plumber, etc. So instead of designating time off as vacation, sick, or personal, we have established a general Paid Time Off (PTO) benefit for your use. This is not “vacation time”, but rather, it is a block of time to be used for any reason.

Part-time employees are not eligible for this PTO benefit.

Full-time employees shall be entitled to PTO as follows:

- All full-time employees who have completed one (1) calendar year of service (from January 1st to December 31st) earn 80 hours of PTO per year, to be taken within the following year.
- All full-time employees who have completed five (5) calendar years of service (from January 1st to December 31st) earn 120 hours of PTO per year, to be taken within the following year.
- All full-time employees who have completed ten (10) calendar years of service (from January 1st to December 31st) earn 160 hours of PTO per year, to be taken within the following year.

| <u>Completed length of service</u> | <u>PTO</u> | <u>To take by</u> |
|------------------------------------|------------|--|
| Upon 1 calendar year completed | 80 hours | December 31 st of that year |
| Upon 5 calendar years completed | 120 hours | December 31 st of that year |
| Upon 10 calendar years completed | 160 hours | December 31 st of that year |

Paid Time Off credits become available in a lump sum on January 1 of each year. This lump sum represents the total PTO available to be used by December 31 of that same year. Any time that is not used is lost and will not carry over to be available the following calendar year. Any time that is not used will not be paid out to the employee at separation from the company.

PTO can be taken in one (1) hour increments.

Scheduling Time Off

To schedule any time off, employees must submit a Time Off Request form to their supervisor at least 30 days in advance so that the company may schedule workflow. Due to work commitments and previous requests for time off, employees may not always receive approval to take time off during the specific period requested. The company reserves the right to schedule time off based on business necessities.

The Time off Request and Approval must be provided to the Director of Human Resources by the employee who is requesting the time off. This also includes requests for any unpaid time off. This procedure applies to all employees, whether you are paid on an hourly or salary basis (exempt or non-exempt).

Time Off Is Not Carried Over Year-to-Year

We encourage our employees to use their PTO benefit, but we know this is not always possible. Any remaining unused PTO time cannot be carried over into the next calendar year and will not be paid out as wages or monetary benefits to employees.

Time Off Runs Concurrently With Other Qualifying Leave Programs

When taking time away from work under Massachusetts Paid Family & Medical Leave (PFML), Domestic Violence Leave or any other leave program offered by the company or available under local, state, or federal law, all earned PTO will be used concurrently with the leave program. In the case of PFML, the employee's PTO benefits will be used to "top off" the financial benefits available under PFML.

FAQs

Here are some questions that you may have about PTO:

- **Can I take PTO ahead of time?** No, PTO cannot be taken before it is earned.
- **What if I am sick – do I have sick pay?** We have gone to a PTO policy to cover a variety of situations. You take the time off that you have earned for the reasons that you need it.
- **What happens if I use all my time and something comes up?** We know that life happens, but we believe that our PTO benefit is very fair. If you have used all of your earned PTO, additional time off, if approved, will be unpaid. This applies to both hourly and salary (exempt and non-exempt) employees.
- Extended leave is available for qualifying events pursuant to the Massachusetts Paid Family & Medical Leave program. When taking PFML, all earned PTO must be used first.
- **What about new employees?** Since we are on a calendar year, we use a prorated system to calculate time off for new employees.
 - For example: Bill, a small machine operator, began work with us July 1, 2023. At December 31, 2023, he has only completed 6 months of employment, or $\frac{1}{2}$ of a calendar year. So, Bill will get $\frac{1}{2}$ of the PTO we give to first year employees at January 1st, or 40 hours PTO, to take between January 1, 2024, and December 31, 2024. Then on January 1, 2025, he will have completed one full calendar year and will earn 80 hours of PTO.
 - Prorating means that we calculate percentages of a year. An employee beginning April 1st will work 9 months of the calendar year, or $\frac{3}{4}$ of a year. An employee beginning October 1st will work 3 months of the calendar year, or $\frac{1}{4}$ of a year.

- **What if I leave my employment with the company before I take all of my PTO time?** In the case of termination from the company, voluntary or involuntary, regardless of the reason, unused PTO time will not be paid out.

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