

Paid Time Off Policy Sample



PTO key provisions

Paid Time Off (PTO) is allocated to the employees of [company name] to meet their personal needs and should be managed responsibly. Full-time employees will acquire [number of hours] of PTO for every [number of hours] hours worked. The employees can use PTO of their own choosing – for sick days, vacations, caring for children, personal issues, or emergencies.

Accumulated through the year, the PTO should be used by the end of the calendar year. Unused PTO hours will be paid to the employees in the form of bonuses. Should an employee need to use unaccrued PTO, he or she will stop earning PTO until the debt is paid.



Scheduling and notification

The employees are required to notify their supervisor and receive approval before using PTO at least 1 hour beforehand. Should an employee take multiple days at a time, he or she must inform the company in writing 2 weeks beforehand.



Paid holidays

The following paid holidays won't be included in employees' PTO:

- New Year's Day
- Independence Day

- Thanksgiving Day
- Christmas Eve
- Christmas

Should employees decide to celebrate non-federal holidays, including religious days or special family occasions, they can use 2 PTO days for floating holidays.



Resignation and retirement

Employees are entitled to compensation for all the accrued but unused PTO upon their termination.



Accrual and PTO payment

An employee earns PTO based on the number of working hours. If you earn 1 hour of PTO for working 40 hours a week, your PTO is calculated as follows:

Years of service	PTO accrual for every 40 hours worked	Annual PTO
Less than one year	1 hour	52 hours
1-4 years	1.25 hour	65 hours
5-10 years	2 hours	104 hours