



**POLICY: Paid Time Off: Exempt (Salaried) Employees**

<i>Original Implementation Date:</i>	9/19	<i>Date Reviewed/ Revised:</i>	03/18/2020	<i>Area of Responsibility:</i>	Human Resources	<i>Version:</i>	4
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**PURPOSE:** To establish a uniform policy on Paid Time Off (PTO) for exempt employees.

**POLICY:** Sun Health believes that time off is important to the health and well-being of our employees and encourages all employees to utilize his or her PTO. Therefore, Sun Health will not accumulate unused PTO or pay for any unused PTO during or at time of separation of employment.

Based on the PTO table below, Sun Health will deposit PTO and Paid Sick Time (PST) hours into the exempt employee’s respective accounts upon hire and thereafter on or about January 1<sup>st</sup> of each year. PTO hours are intended to be used in the calendar year they are deposited. Any unused hours from one calendar year will not be carried over into the subsequent calendar year. The unused hours are forfeited unless in the event special work demands prevent an employee from taking all available PTO hours, a request can be made to carry over no more than 5 days into the next calendar year. To be effective, the approval must be in writing.

**Scheduling of PTO:** Prearranged days off must be submitted to the manager for approval at least two weeks in advance through Kronos Workforce Ready. Managers may deny requests due to the needs of the department, number of requests submitted, or length of notice given.

Exempt Staff	Years of Service	Paid Time Off (PTO)	Paid Sick Time (PST)
Exempt staff	<2	160 hours/20 days	40 hours/5 days
	2 to 5	200 hours/25 days	40 hours/5 days
	5 or more	240 hours/30 days	40 hours/5 days
Executive Leadership Team, Executive Director, & Vice President	All	280 hours/35 days	40 hours/5 days

**PTO Usage When Absent:** Employees will be required to use PTO when they are absent, unless his or her absence qualifies as PST and the employee has PST hours available. This also applies to all leaves of absence (LOA) situations. PTO may be used when an employee is using a protected sick day once the employee has exhausted their 40 hours of annual paid sick time (PST). Exempt salaried employees are required to use time in 8 hour increments. In the event the employee does not have a full 8 hours available they must use PST (if available) or the day will be unpaid. See **Attendance** policy for more details.

**PTO Seniority Status for Reinstated Employees:** After termination of employment, an approved personal leave, or a combination of an approved medical and personal leave, return within three (3) months to an Exempt Full-Time position will keep their initial hire date for PTO allowance and seniority purposes.

## **POLICY: Paid Time Off-Exempt (Salaried) Employees**

**Transfer PTO Credit:** Employees PTO and PST will be impacted according to the guidelines below:

- Although PTO and PST is not vested or accrued, if an employee moves to a non-exempt position within Sun Health they are eligible to transfer any unused PTO & PST into their new Full or Regular Part-Time position and would begin accruals under the Paid Time Off Non-Exempt Employee Policy.
- POOL/PRN/On-Call/Seasonal positions would only be eligible for PST.
- Employees who transfer from a Non-Exempt (Hourly) position will have his or her PTO balance paid out and the exempt amount by years of service will be deposited.

**Separation of Employment:** Upon voluntary resignation, employees are required to give at least 14 days' notice in advance of the final workday. Supervisory level personnel and above are required to give at least 30 days' notice. In the event of special circumstances or emergencies, a shorter period may be accepted if approved by the Executive Director or senior leader. All resignations should be submitted in writing. Employees must work their normal schedule during the notice period, and prior approved PTO time off will be canceled. Only absences that qualify as a protected paid sick day (PST) will be paid if the employee has a sufficient balance of PST or PTO.

PTO and PST are not eligible for payout for any reason.

**RELATED POLICIES OR REFERENCES:** *Paid Time Off: Non-Exempt (Hourly) Employees; Paid Sick Time; Bereavement Leave; Attendance; Family Medical Leave Act (FMLA); Medical and Personal Leave of Absence; Military Leave of Absence; Voluntary Resignation; Arizona Fair Wages and Healthy Families Act.*