Vacation POLICY

It is the policy of ABC Company to provide each full‑time employee with vacation time on a periodic basis. The amount of vacation to which an employee becomes entitled is determined by the employee’s length of service as of his or her employment anniversary date. For full‑time employees, vacation accrues as follows [NTD – if an employer wishes to limit the amount of accrued vacation that will need to be paid upon termination, it may wish to implement a more detailed accrual policy that provides for vacation to accrue by pay period]:

1. At the end of the first year of service, one week, or 40 hours, of vacation.

2. Two years or more but less than five years of service, two weeks, or 80 hours, of vacation per year.

3. Five years or more but less than 10 years of service, three weeks, or 120 hours, of vacation per year.

4. Ten years or more of service, four weeks, or 160 hours, of vacation per year.

Regular part‑time employees earn vacation on their employment anniversary date in the proportion that their normally scheduled number of hours bears to 40 hours per week. For example, a regular, part‑time employee who usually works 20 hours per week would earn 20 hours of vacation upon completing his or her first year of service.

Vacation does not accrue between employment anniversary dates and may not be taken until it is earned. Vacation time must be used in the anniversary year after which it is earned and may not be carried over past the employee’s next anniversary date. For example, an employee with two weeks’ vacation as of his or her third anniversary date must use the two weeks prior to his or her fourth anniversary date. If an employee fails to take his or her earned vacation time before the employee’s anniversary date in violation of this policy, the employee will not earn any further vacation until that unused vacation has been taken.

In Illinois, employees are entitled to accrued but unused vacation at termination, even if terminated for misconduct, or if they resign.

This policy is optional