



| Policy /Procedure Document | |
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| Policy Owner: | Executive Director, Total Reward Strategies |
| Required Approvals: | Chief Human Resource Officer |

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| TITLE: | Flex Paid Time Off (PTO) – Grant |
| SCOPE: | This policy will apply to all exempt and non-exempt associates at all Beacon entities. Associates covered under a collective bargaining agreement should refer to the contract for PTO benefits. |
| PURPOSE: | To establish pay practices and parameters of how hours accrue and are accessed for paid time off for reasons such as vacation, holidays, sick and personal days. |
| POLICY/PROCEDURE: | |

Eligibility: All associates that have a full-time or part-time employment status will be granted an annual allotment of PTO. PRN associates are not eligible for PTO.

Calculation of Time: Beginning January 1, 2024, PTO time will be granted on annual basis (January 1st) based on years of service and standard hours, according to the following:

| Non- Management Flex Grant PTO Plan Schedule | | | |
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| Tier | Years of Service | Annual PTO Grant | Hours available for "Cash Conversion" at Open Enrollment |
| Tier 1 | 0-3 years | 184 | 56 |
| Tier 2 | 4-8 years | 224 | 96 |
| Tier 3 | 9-23 years | 264 | 136 |
| Tier 4 | 24+ years | 304 | 176 |

| Management Flex Grant PTO Plan Schedule | | | |
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| Tier | Years of Service | Annual PTO Grant | Hours available for "Cash Conversion" at Open Enrollment |
| Tier 1 | 0-8 years | 224 | 96 |
| Tier 2 | 9+ years | 264 | 136 |

Newly hired associates will be granted 1/12th of the annual allotment based on standard hours for each month remaining in the calendar year, with such grants to be pro-rated based on the date of hire. While PTO time will be granted upon hire, a new hire is not eligible to use such granted PTO time until after completing 31 days of employment. Any occurrences of absenteeism during the first 31 days of employment will be unpaid.

All PTO granted under this policy must be used in the calendar year in which is granted. An Associate may choose to redirect the cash value of PTO granted in excess of 128 hours towards the cost of other benefits during the annual open enrollment for benefits period.

Any PTO time in excess of 128 hours not used by the end of the calendar year in which it was granted and not redirected towards the cost of other benefits during the annual open enrollment period will be paid in cash at 100% of its value. PTO remaining at or below the 128 hours will not be paid out and will not be carried over. (For example, if an associate has 150 PTO hours granted under this policy remaining at the end of the calendar year, the associate will be paid the cash value for 22 hours of such time (the amount in excess of 128 hours), but shall lose 128 hours of granted PTO).

Use of Paid Time Off (PTO):

1. PTO is available for use for time an associate is away from work when they would have otherwise been scheduled to work.
2. **Scheduled PTO** is used any time that is mutually agreed to by the associate and supervisor in advance and in accordance with the departmental and organizational policy. The leader may approve requests up to the number of hours granted in the associate's PTO bank by the date the time off is to be taken. Leaders may limit the number of associates who may be away from work at any given time based on staffing needs, may limit the number of hours approved, and may deny previously approved requests for PTO if the associate transfers to another shift, work area, department or entity.
3. **Unscheduled PTO** is used any time an associate is unable to work their regularly scheduled shift, an additional shift that was assigned, worked on-call coverage, or a shift they agreed to work. Associates are required to notify their leader of their unscheduled absence in accordance with departmental and organization policy. Unscheduled PTO occurrences will be subject to corrective action/discipline in accordance with the organizations Attendance Policy.
4. Negative PTO balances are not permitted. PTO time that is entered where there is an insufficient balance to cover the hours will be unpaid.
5. Management and exempt associates must enter a Scheduled PTO day for all time taken for purposes of vacation or holiday regardless of the number of hours worked in the pay period. Partial days should not be submitted as PTO.
6. An associate is not permitted to take time off without pay or work less than their scheduled hours if PTO is available unless they are released from a scheduled shift as a result of low census, lack of work, mechanical failure, weather emergency, or similar event. Under these circumstances, or other exceptional circumstances (such as those pertaining to approved leave of absence, disability-related leaves of absence or reduced schedules), the associate will have the option to use Scheduled PTO or time without pay.
7. PTO will be paid at the associate's base hourly regular rate of pay at the time of the associate's absence. If the associate is assigned to multiple positions, they will be paid at the primary job base hourly regular rate of pay in effect for the position they are assigned for the day of absence.
8. If an associate changes status to a position, (i.e. management to non-management or full time to part time) the PTO balance may change to reflect the eligible amount granted. If an associate transfers to a PRN position, any unused PTO balance granted under this policy will be forfeited.
9. Associates will not be permitted to use PTO after submitting a notice of resignation.

Re-employment:

1. Associates who terminate employment and subsequently rehire within six (6) months will, for purposes of PTO, have their prior years of service reinstated for purposes of determining the grant of PTO to be provided.
2. An associate who terminates employment and subsequently rehires after six (6) months will, for purposes of PTO, be considered a newly hired associate. Prior years of service will not be considered in determining the associate's PTO grant.
3. Associates who have been employed through an outside temporary agency and who subsequently are hired by the organization will be considered newly hired for purposes of PTO.

Termination or Retirement from Employment: All PTO that is granted under this policy but not used upon the associate's termination or retirement of employment will not be paid out to the employee and will be lost.

| Document Revision History: | | | |
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| Review Date: | Revised Date: | Reviewed/Revised By: | New Policy |
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