



## **Flexible PTO Policy**

**Innowave Marketing Group recognizes that our employees deserve our trust. Only our employees best understand how to merge their work and personal lives without sacrificing either. To express our trust, we are providing you with a Flexible PTO policy as a benefit of employment.**

What this means is that you have the latitude to take PTO (paid time off) and you are not limited to a specific amount of time off per year. We encourage all employees to take off at least two weeks per year. You can submit your requests as full days, partial days, or even work out an arrangement with your manager to leave early if you've finished your work for the day. We expect that you will take care of your responsibilities before leaving and upon your return, and that you will prepare the necessary files and information so your team can cover for you in your absence when necessary.

The Flexible PTO time can be used to cover planned vacations, personal and family illnesses, household emergencies, Jury Duty, doctor's appointments, and other personal matters requiring time away from work. You will not accrue PTO days as in traditional plans, and therefore, will not be compensated for any unused PTO time, vacation time, or sick time upon termination of employment.

### **Employees eligible for Flexible PTO:**

- All salaried employees company-wide and all full-time hourly employees working in administrative departments (Account Management, Business Development, Customer Service, Finance, Human Resources, IT, Operations, Procurement, Reporting, etc.).

### **Why are full-time hourly retail and warehouse employees excluded from the policy?**

- As much as we would love to extend Flexible PTO to all of our full-time employees, the retail and warehouse sites have specific staffing needs that would not be satisfied if Flexible PTO were an option. Our retail stores are the face of the company. If we were to provide Flexible PTO to full time employees in the stores, we would fail to meet the goal of being available for customers when they want to shop. We would also risk losing the clean, attractive, and inviting appearance of our stores that our retail staff works so hard to maintain daily. Similarly, the warehouse employees must be available during specific times to receive inventory and prepare shipments for carrier pickup so we can fulfill customer orders without delays. Retail and warehouse employees should continue working with their management team to coordinate time off as they have been.



### **The rights and responsibilities of the employee:**

- You should pre-plan time off a minimum of two weeks in advance when possible.
- In the case of an emergency or illness, you must submit the time off request in Paylocity as soon as you know you will be out. All efforts should be made to submit the request before the start of your shift, and an explanation for the absence must be given if it is unexpected.
- You should continue to submit your time off requests through Paylocity.
- You should understand that your requests will still go through an approval process and managers will use the same basic criteria they've used for approving leave time in the past.
- If asked, you must cooperate with your manager in developing plans for having your work completed in your absence.
- You must act responsibly, not abuse the system, and ensure the business is not negatively impacted.
- The first 90 days of employment is critical to learning a new role and also determining if the role and employee are a good fit for one another; therefore, a new employee should limit time off requests within the first 90 days.
- Hourly employees under the Flexible PTO plan are responsible for entering the necessary time off into Paylocity to ensure they are paid. PTO time can be entered to cover only scheduled work time. PTO is not to be used to artificially increase the hours to be paid out.

### **The rights and responsibilities of Innowave Marketing Group and the managers:**

- Managers will make a reasonable effort to approve your requests using the same general criteria they've used under the traditional accrual policies.
- Managers may deny requests for specific business reasons, including a client program that requires specific coverage, others in the department are out for the same period of time, or a vital deadline that falls during the leave and requires the employee's involvement.
- Managers will be in the best position to determine if an employee is abusing the system by taking time off without meeting their work obligations. If an employee is abusing the system and not meeting their obligations, HR will be notified and future requests may be subject to denial. The employee may also be subject to disciplinary action, depending on the severity of the abuse and the impact to the business.
- Managers must be fair when reviewing requests for time off and ensure any denials are due to valid business reasons that cannot be overcome.
- Managers will encourage employees to take off at least two weeks per year and remind employees to take time off as needed.
- Managers will reach out to HR with any questions related to approving or denying a leave request.



**To ensure fairness and that business needs are being met, the following criteria will apply to all requests:**

- Any employee who is absent for more than two (2) consecutive days without notifying their manager or receiving prior approval will be considered a voluntary termination.
- Employees may not request more than two (2) consecutive weeks off without approval from their manager
- Employees planning a personal or medical leave of absence extending more than two weeks must contact HR as soon as it is known they will be out to determine the specific state/federal laws and policies/options that will apply to their leave.
- **If an employee's total hours worked, including any FPTO time taken, exceed 40 hours by the end of the week, the FPTO hours will be adjusted to ensure that the total hours do not go over 40. This adjustment prevents the accumulation of overtime hours.**

For the employees given Flexible PTO, the Flexible PTO policy supersedes and replaces the vacation and sick time policies in the handbook.

The Flexible PTO policy does not apply to Personal or Medical Leaves of Absence, ADA Leave, Military Leave, or other mandatory leave policies that currently apply to Innowave Marketing Group or may apply in the future. Innowave Marketing Group is not currently covered under FMLA.

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## **FAQs**

### **Who is eligible for Flexible PTO?**

All salaried employees company-wide and all full-time hourly employees working in administrative departments (Account Management, Account Management – IT, Advanced Analytics & Development, Business Development, Customer Service, Finance, IT, Logistics & Inventory Management, Operations, Retail & Logistics, Retail Merchandising, and other administrative departments that may be added in the future.)

### **Is the policy really flexible?**

Yes, within reason. Managers will review requests and use the same general criteria they've always used for approving them. Managers may deny requests if the absence will significantly interfere with business, or due to certain other conditions, such as if too many in the department have requested the same time period off, the request falls during a client program week where everyone in the department is needed to provide proper service to the customers, or the employee requesting time off has a history of taking time off without ensuring their responsibilities were properly handled.

### **Is it fair for my manager to deny my request for staffing needs?**

Yes, it is. Denials due to staffing needs could be because the request is during a client program week or because someone else in the department is already off for the same period of time. Your manager is in the best position



to understand the needs of the department on a regular basis.

**What if I feel my request was denied for an unfair reason?**

We first encourage you to first ask your manager why it was denied. If the reason given is not due to a business need and you still have concerns, you can reach out to HR.

**I work in a department where I am required to work specific hours to be available for clients or customers of clients. How will Flexible PTO work for me?**

It will work basically the same as it does for everyone else. The staffing needs provision will apply during busy periods. During the slower periods, your manager can determine how many people can be allowed to take time off or leave early during the same time period while still providing sufficient coverage for the clients and their customers.

**Can I use Flexible PTO to take off every Friday or the same day every month?**

As much as we would love to approve it, a standing arrangement would not be fair to others in the department who may want those days off.

**If I'm hourly, how much time can I enter as PTO?**

The rules are the same as they are now. The employee is responsible for entering the correct amount of PTO into Paylocity and PTO can be used to cover only the hours an employee is scheduled to work. PTO should not be used to artificially increase the hours to be paid out and doing constitutes abuse of the system. Managers will review times for artificial increases when approving timecards and HR will verify again when processing payroll. If worked time + PTO time equals more than 40 hours per work week, the PTO entry will be edited to reduce the total time to 40 hours.

**If I'm salary, do I still need to enter my time off requests into Paylocity?**

Yes. There are numerous state and Federal reports that require HR to break down time off taken by employees. We pull the data out of Paylocity for those reports.

**What is the correct process if I receive a Jury Duty notice?**

If you receive a Jury Duty notice, provide a copy of the notice to your manager and HR. If you already know the day(s), you'll be out, enter the PTO request into Paylocity. As you learn of additional days you'll be needed, enter the requests in Paylocity and notify HR and your manager that the time off request is for Jury Duty. Your time off pay is not reduced by the amount you receive for serving on the jury.

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Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Employee Printed Name