

Downloadable PTO Policy Template

Use this template to create a complete PTO policy for your company. Replace the blanks with rules that match your organization.

[Company Name] Paid Time Off (PTO) Policy

1. Policy Purpose

This Paid Time Off policy explains how employees earn and use time away from work while still receiving pay. The goal of this policy is to create clear expectations around vacation, sick leave, and personal time while ensuring the company can plan staffing and maintain operations.

2. Employee Eligibility

Eligible employees:

- Full-time employees
- Part-time employees working at least [___] **hours per week**
- Other: [_____]

Employees become eligible for PTO after completing a probation period of:

[___ **days** / ___ **months**]

The following employees are not eligible for PTO:

- Contractors
- Temporary workers
- Interns
- Seasonal employees

3. PTO Accrual

PTO accrual begins on:

- Employee start date
- After probation period

Accrual method:

- Per pay period
- Hourly accrual
- Yearly PTO grant

Accrual rate:

Employees earn [___ hours / ___ days] of PTO per [pay period / month / year]

Example:

Employees earn [___] hours per pay period

Service-based increases (optional):

Years of Service	PTO Earned
0–1 years	[___]
1–5 years	[___]
5–10 years	[___]
10+ years	[___]

4. PTO Usage Rules

Employees may use PTO for:

- Vacation
- Sick leave
- Personal days
- Medical appointments
- Family responsibilities
- Other approved reasons

Minimum PTO increments:

- Hourly
- Half-day
- Full day

Employees:

- May not use PTO before it is accrued
- May request advanced PTO with manager approval

5. PTO Request Process

Employees must submit PTO requests through:

- HR software system
- Manager email request
- PTO request form

Advance notice requirements:

Single day PTO: [___ **days notice**]

Multiple days PTO: [___ **weeks notice**]

Emergency situations:

Employees must notify their supervisor **as soon as possible**.

Approval is based on:

- Team coverage
- Workload
- Business needs

6. PTO Carryover and Rollover

Unused PTO at the end of the year will:

- Carry over to the next year
- Expire at the end of the year

Maximum rollover allowed:

[___ **days** / ___ **hours**]

Maximum PTO balance allowed:

[___ **hours** / ___ **days**]

Once this limit is reached, PTO accrual will pause until some PTO is used.

7. PTO Payout Upon Separation

When an employee leaves the company:

- Unused PTO will be paid out
- Unused PTO will not be paid out

Conditions for payout:

- Employee must provide [**weeks notice**]
- Termination for cause may result in forfeiture of PTO payout

Payout will be calculated using the employee's **current pay rate** at separation.

8. Paid Holidays

Paid holidays are separate from PTO.

Company holidays may include:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving
Christmas Day

Additional holidays:

[_____]

Employees may request PTO for additional days surrounding holidays.

9. Blackout Dates (Optional)

PTO may be restricted during certain high-demand periods.

Example blackout periods:

[insert dates or busy seasons]

Emergency leave requests may still be approved.

10. Compliance with Leave Laws

This PTO policy complies with applicable employment laws, including federal, state, and local leave regulations.

Employees may have additional rights under laws related to:

- Sick leave
- Family leave
- Medical leave
- Parental leave

Employees should contact HR for guidance about legally protected leave.

11. Policy Changes

The company reserves the right to modify or update this policy when business needs or legal requirements change.

Employees will be notified of any updates through official company communications.

12. Questions and Support

Employees with questions about PTO should contact:

HR Contact: [_____]

Email: [_____]

HR Portal: [_____]

Additional details may be found in the **employee handbook**.

Employee Acknowledgment

I acknowledge that I have read and understand the PTO policy.

Employee Name: _____

Employee Signature: _____

Date: _____