



July 7, 2014

TO: Employees, Community Options, Inc.

FROM: Kevin Iverson, Vice-President

SUBJECT: Personal Leave Time (PLT) Benefits – Policy Revision

The purpose of this memo is to inform all staff of updates to the company's policy relating to the Personal Leave Time (PLT) benefits. The main policy change is the awarding of a lump sum of PLT hours to new employees after they have completed their first six months of full-time employment. The lump sum replaces the monthly PLT accrual for the first six months.

This policy change regarding the accrual and use of PLT benefits is effective for the month of July 2014 and is revised as follows:

- Accrual for regular full-time employees who are hired on or after July 1, 2014 must complete six (6) full months of full-time employment, be employed by the company for a minimum of one (1) day in the month following the completion of the 6 full months, and actually work at least one day in that month in order to receive PLT benefits. Employees who satisfy the six-month plus one day work requirement will receive a lump sum PLT accrual of forty (40) hours. For example, an individual who is hired on August 1st would be required to work through January of the next year and work actual hours for at least one full day in February in order to receive the lump sum accrual of 40 PLT hours. If the employee were hired later in the month of August, he/she would be required to work through February of the next year and at least one full day (actual work hours) in March in order to qualify for the lump sum PLT accrual.
- Employees are not awarded monthly PLT benefits during the initial 6 full months and therefore are not allowed to use PLT until the initial requirement is met.
- After the employee has met the initial requirement for PLT accrual, PLT benefits will be awarded after each pay period based on their length of service. The accrual rate will follow the current structure:
 - Years 1 & 2 – 6.67 hours per pay period (after initial 6 mo. requirement)
 - Years 3 & 4 – 10.0 hours per pay period
 - Years 5, 6 & 7 – 13.33 hours per pay period
 - Years 8, 9 & 10 – 16.67 hours per pay period
 - Years 11 & beyond – 20.0 hours per pay period
- The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when the employee starts to earn vacation time. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. See individual leave of absence

policies for more information.

- Employees will be notified in the company's Employee Handbook as well as at the time of hire that payment of accrued PLT may be withheld if:
 - The employee leaves the company voluntarily;
 - Has been employed for less than one year's time and;
 - The employee does not provide at least five (5) days notice (written or verbal) of the employee's intent to resign. Written notice of resignation should be in writing or e-mailed to the individual's supervisor or the company's Human Resources department.
- Requests for use of PLT by the employee after submitting a notice of voluntary resignation may be denied by the supervisor or management as provided under current policy.
- PLT accruals stop if an employee loses eligibility for full-time benefits. If the loss of benefit eligibility occurs prior to completing the initial six (6) months of employment requirement, the employee will not receive the lump sum of 40 PLT hours. If the loss of PLT benefit eligibility occurs after 6 complete months of full-time employment, the employee will not lose PLT hours accrued (PLT accrual would be paid out in the month following loss of eligibility).
- PLT accruals will resume as of the first full month when/if the employee again qualifies for full-time benefits. The employee's benefit year will resume at the rate consistent with their years of full-time employment. For example, if the employee lost eligibility for FT benefits after their first benefit year, the employee would be in their second benefit year upon regaining FT eligibility. Upon reinstatement of FT eligibility, the employee would be allowed to use accrued PLT if the employee has met the initial six (6) months of FT employment requirement.
- An employee, who either voluntarily or involuntarily terminates employment with the company, will receive pay for all accrued PLT in their final paycheck if the employee has completed the requirement for six (6) months of full-time employment with the company as required for PLT benefits. As specified above, voluntary termination must provide adequate notice and, for any termination, the individual must have worked actual hours on the first day following the complete six months of full-time employment in order to be paid for or use any accrued PLT.

PLT benefits are available for vacation, personal business, illness, or injury and are provided only to regular full-time employees. Questions regarding the company's PLT policy should be directed to the employee's immediate supervisor or the Human Resources department. Thank you.