

Discretionary Time Off Policy

Purpose:

AV wants to promote a work-life balance that enhances employee productivity while respecting personal time off. The Discretionary Time Off (DTO) policy gives eligible employees more flexibility to take personal time off; there is no specific number of vacation days off per year, an eligible employee does not accrue vacation, and there is no accrued vacation time off “bank.” Employees utilizing DTO remain accountable for ensuring that they balance their personal time off with work performance expectations.

Policy:

Scope, Eligibility, and Exceptions:

DTO is for personal time off that is not otherwise covered by other time-off or leave policies at AV (e.g., Jury Duty, Sick Time, Medical Leave, Military Leave, etc.).

The DTO policy applies to all full-time salaried exempt employees. Hourly non-exempt, supplemental, and part time employees are not eligible for DTO unless and until they become a full time salaried exempt employee. Non-exempt hourly employees will continue to accrue vacation under AV’s Vacation policy located in the AV Employee Handbook. Supplemental employees are not eligible for either DTO or Vacation. If a Supplemental employee becomes a full time regular employee, they will be evaluated for which plan they will be on based on exemption status. Benefits will begin on that date.

Exempt salaried employees hired before the commencement of the DTO policy will be given the opportunity at the outset of the policy to choose to either stay on their accrued vacation plan or elect the DTO plan. This is a one-time choice that cannot be changed at a later date. Likewise, non-exempt hourly employees who later become an exempt salaried employee (without an intervening break in employment with AV), and who were hired prior to the commencement of the DTO policy, will be given the option at that time to stay on the accrued vacation plan or move to the DTO plan.

Exempt salaried employees hired after the commencement of this plan will be placed by default on the DTO plan. Likewise, non-exempt hourly employees hired after the commencement of the DTO policy, and who later become an exempt salaried employee, will be placed by default on the DTO plan at the time they become an exempt salaried employee.

For non-exempt hourly employees who later become an exempt salaried employee, and who either elect or by default are placed in the DTO plan, their unused, accrued vacation balance will be paid out to the employee at the pay rate associated with their final hourly rate in their non-exempt hourly position.

Procedure:

Request for DTO:

Employees are required to obtain approval from their manager before taking DTO. Employees and managers must consider all relevant factors, including but not limited to: business needs, other requests for time off, work performance, workload; and reason (does not fall under a different leave policy) when making a determination. Employees should give as much notice as possible by submitting their request

through the AV timekeeping system Time Off Request option with at least one (1) month advance notice for every one (1) week of time off requested. Requests for greater than two (2) consecutive weeks will require approval from both the employee's manager and the department VP. Requests may be denied or postponed by your manager based upon the manager's evaluation of the factors listed above. Time off must be accurately recorded on the employee's timecard.

End of Employment:

Under the DTO policy, there is no accrual of vacation hours; therefore, upon separation of employment from AV, employees under this policy will not have any "unused" or "accrued" vacation to "cash out."

Benefits:

For DTO lasting greater than 30 consecutive days, all benefit coverage will be terminated, however, the employee will be offered continuance of his/her health insurance benefits in accordance with COBRA at his/her own expense.

AV reserves the right to modify this policy at its discretion at any time without prior notice.