GENERAL POLICY No. 620
SUBJECT: VACATION LEAVE

I. POLICY:
The Cooperative endeavors to provide regular employees periods of vacation leave.

II. RESPONSIBILITY:
The General Manager/CEO shall be primarily responsible for implementation and oversight of this policy.

III. PROVISIONS:
The following provisions and procedure shall apply to this policy.

A. Vacation leave time may be accrued only by regular, probationary, or regular part-time employees at a reduced rate. Any employee on short or long-term disability or any temporary employee shall not earn vacation time. Temporary employees shall not be qualifying employees under this policy.

B. All regular employees covered by this policy may, in the sole discretion of the Cooperative, accumulate vacation allowances in accordance with the following schedules:
   i. A vacation year shall be from January 1st. to December 31st. of each year.
   ii. Qualifying employees may be entitled to a maximum of ten vacation...
days (80 hours) with pay at the employee’s regular rate of pay excluding overtime and holiday premiums ("regular rate") during the first year such employee works; provided vacation leave time may be accrued at the maximum rate of 10/12ths of a day (6 2/3 hours) per month for each month such employee works during said the first year of employment. If a qualifying employee’s regular rate of pay varies from week to week, the employee’s vacation pay may, at a maximum equal the employee’s average weekly rate of pay during the vacation year

iii. For each year after the first vacation year the employee may accumulate an additional day (eight hours) of vacation with pay at his/her regular rate of pay until a maximum of 20 days (160 hours) has been reached. Vacation time may be accumulated to a total of 39 days (312 hours).

C. It shall be the employee's responsibility to schedule his (her) vacation so he (she) will not lose vacation leave time.

D. If an official holiday (General Policy No. 619) falls within an employee’s vacation leave time, the holiday will not be charged against the employee’s vacation leave time.

E. When an employee leaves the service of the Cooperative, the Cooperative may in its sole discretion pay any vacation pay accrued under the terms and conditions of this policy.

F. Requests for vacation leave shall be made and schedule in advance and shall be subject to the work schedule needs of the Cooperative.

G. When conflicts occur in vacation leave requests, the Cooperative will endeavor to give preference to the employee with greater seniority.

H. Cash payment in lieu of vacation leave may be permitted when employees are laid off because of lack of work, or for employees who voluntarily or involuntarily terminate their services with the Cooperative.

I. If an employee has a bank of 39 days (312 hours), and continues to accrue hours that they will not be using for vacation by December 31st,
and if those hours are in danger of being forfeited, that employee may choose at the end of the calendar year to contribute to their Health Savings Account (HSA). The employee must be enrolled in an IRS qualifying High Deductible Health Plan and have a personal HSA, then, they may request a pre-tax contribution be made to their personal HSA account from vacation leave up to a maximum of five days over the 39-day limit.

V. **PRIMACY OF POLICY**

This policy supersedes any past or present policy relating to the subject matter thereof. This policy does not represent a contract between the employee and the Cooperative and the policies herein may be changed by the Cooperative at any time by the Cooperative alone and without notice.

APPROVED BY THE BOARD OF DIRECTORS

[Signature]

Doug Schmier, President

DATE APPROVED: March 14, 1977

DATE REVISED: December 20, 1989

October 21, 2002

September 26, 2005

June 22, 2009

October 25, 2010

June 27, 2011

November 20, 2017