

*Disclaimer: Please note that this is a free template by Fit Small Business and contains general guidelines. You should consult with an HR professional for specific questions before finalizing any workplace policy. For just \$99 a month, [Bambee](#) can assist your small business with HR-related items, such as creating policies, employee onboarding, and tools to help you stay compliant.*

## Unlimited PTO Policy Template

In an attempt to improve the work–life balance for our professional, salaried, exempt status staff, **<Company Name>** is implementing a new unlimited PTO policy.

This unlimited PTO policy is meant to apply to time-off used for vacation and non-business travel purposes and is applicable for eligible employees only, replacing the PTO policy previously in use for these employees.

This policy does not take the place of our existing sick time policy, FMLA policy, ADA policy, Maternity/Paternity leave, Jury Duty, or any other current leave policy. Sick time is tracked separately from vacation time under this policy.

All other employees, including all non-exempt staff, are subject to our company's current PTO policy.

### Who is Eligible for Unlimited PTO?

Only employees in exempt (ineligible for overtime) positions who meet the following criteria are eligible for this program:

- Has current Active Full-time Exempt Employment Status (i.e., not on any kind of leave)
- Able to stay connected from home or remote location using company-approved technology such as cell phone, email, text, and/or internet
- *(Optional)* Completed a minimum of 90 days of employment with our Company
- *(Optional)* Has a performance review rating of 3 or above (3–5 scale)

### How it Works

1. **Request Time Off:** Employees wishing to take time off must formally request vacation dates in writing via *email* or by using our company time-off request form/process at least 10 business days in advance of the planned time off.
2. **Obtain Approval:** Supervisors and managers can approve or reject requests depending on business needs and workload during the requested dates.

3. **Avoid Key Dates:** Some business-intense timeframes should be avoided for vacation and offsite travel under this policy, including tax time, fiscal planning/budgeting, and other busy times of the year unique to your particular job or department needs.
4. **Maintain Performance:** Employees offsite, on vacation, or traveling under this policy are expected to maintain strategic objectives and department goals as defined by the business, management, or supervisor. Failure to maintain business performance/work results will be managed as a disciplinary issue.

## Guidelines

1. **No Limits but Clear Expectations:** There are no limits on how much time an employee can take under this policy each year. However, employee performance will be managed throughout the year to ensure that agreed-upon deliverables and work efforts are maintained in accordance with the employee's job description and annual planning activities.
2. **No Accruals:** Unlike traditional sick time and traditional PTO policies, time *does not accrue* under this policy. In other words, there is no PTO/vacation time bank under this policy. As such, there is no rollover of any kind from year to year.
3. **No Payout:** Because time does not accrue under this policy, no cash out or payout of unused time is available upon termination.

## Instructions:

HR/Manager: Please indicate the employee's name and eligibility date.

Employee: Please date and sign to confirm you have read and understood this policy.

Employee Name	(type or write full employee name here)
Eligibility Date	(supervisor or HR to input the first date that the employee is eligible for this program using mm/dd/yy format)
Today's Date	
Employee Signature	