
Maryland has passed a new law called the Maryland Healthy Working Families Act (House Bill 1) that is effective February 11, 2018. While the state is still working out some specifics regarding this new bill, employers are expected to communicate and enforce this effective immediately. We already offer Paid Time Off that meets the requirements, however we do need to adjust how it is calculated and reported. Please bear with us as we transition existing employees with earned benefits over to the new system.

Changes only affect how we designate time. No time will be lost. For example, FT employees after one year currently receive 8 days of PTO. That remains the same except now you can use 5 days of that between your 106th day and your first year anniversary as it is earned. On your anniversary, you will receive the remaining 3 extra days of PTO to add to your balance. All PTO days can be used as you choose – vacation, sick, school events, etc.

In addition, we are required to have the sick leave accrual printed on your paystubs. We are still working with our payroll company and this will be printed as soon as possible. In the meantime, if you have any questions about what you have accrued, please see your manager.

SICK LEAVE, effective February 11, 2018

Schuman's Cleaning Service maintains a Sick leave program to provide income continuation during short and extended periods of illness for employees that regularly work on a weekly basis for more than 12 hours. Employees are eligible for up to 40 hours of sick leave per calendar year. This time is accrued at the rate of 1 hour for every 30 hours worked. For new employees, the accrual will begin after 106 calendar days of employment. Employees are not permitted to use paid sick leave until it has been accrued.

Employees may carryover unused sick leave on an annual basis up to a maximum of 64 hours for use per year. Employees are encouraged to save as much sick leave as possible as protection against an extended disability.

Sick Leave may be used for the employees' own mental or physical illness, including maternity or paternity leave, or the employee's immediate family member's mental or physical illness, or to obtain relief in response to a domestic or sexual assault of the employee or a family member. A family member is defined as and includes (1) a child under the age of 18, (2) a spouse or (3) parent.

We reserve the right to request documentation regarding the employee or immediate family member's illness. Falsification of the circumstances relating to the need for leave can lead to disciplinary action, up to and including termination.

When foreseeable, we ask that employees give 7 days notice to use Sick Leave.

Sick Leave is a benefit to be used during active employment and is not payable upon termination.

ADDITIONAL PAID TIME OFF (PTO)

Full Time Employees who are regularly scheduled to work at least 32 hours/week earn ADDITIONAL Paid Time Off (PTO) in addition to Sick Leave, after one full year of employment. In the Company's sole discretion, office employees who work on a regular basis less than 32 hours/week may be eligible for pro-rated paid time off.

PTO accrual rates are based on continuous employment and earned for each full year worked. PTO is based on regularly scheduled work hours (pro-rated for those regularly scheduled to work between 32 and 40 hours/week). Employees are provided with PTO on their annual anniversary date upon completion of 12 months of continuous service. The employees base rate of pay at the time PTO is used will be used for calculation purposes.

If there is a break in service or if work hours are adjusted between 32 and 40, PTO eligibility will be adjusted accordingly. If there is any question on eligibility, please see Payroll.

Example: Employee is hired in May to work 32 hours/week at \$10.00/hour. His work schedule is 6 hours/day. On May 2 of the following year, the employee is eligible for 3 days of 6 hours of PTO to be used until May 1 of the 3rd year of employment

Use and Scheduling of PTO

- Use of PTO must be approved in advance.
- All effort should be made to have PTO approved at least two weeks in advance for scheduling purposes. Conflict with requests will be based on first received, staffing needs, length of service, etc. We will make every attempt to grant requests, but requests are not guaranteed and you may be required to reschedule.
- We strongly encourage our employees NOT to take their vacations during late spring, summer or early fall. This time of year is extremely busy and we need every available Team member
- PTO with less than a 24-hour notice is subject to approval and should be requested by 8 am the day of to be considered.
- Employees may carry over up to ten (10) days of PTO to be saved just in case something serious occurs. All other unused PTO at the end of the calendar year will be forfeited.
- Employees may not use unpaid time off until all paid time off has been exhausted.

PTO Eligibility (based on 40 hours/week. PTO eligibility will be prorated for employees regularly working 32 – 40 hours/week)

<u>YEARS OF SERVICE</u>	<u>ANNUAL PTO ELIGIBILITY</u>
1 year – 2 years	Up to 3 days
3 years – 9 years	Up to 9 days
10+ years	Up to 13 days

Termination of Employment

Upon termination of employment, employees will be paid for their earned, unused PTO during the year in which employment terminates, in accordance with applicable laws. Employees not providing the Company with at least a two-week notice, or those terminated for misconduct are not eligible for payment of earned PTO, unless otherwise required by law. PTO that is rolled over from one year to the next IS NOT payable upon termination. In addition, Sick Leave is not payable upon termination.

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