

POLICY FOR FLEXIBLE BENEFIT

VACATION BUY PLAN

Effective the pay period commencing January 1, of each year, regular full time employees may elect to purchase one or two additional weeks of vacation credits over and above their regular entitlement with pre-tax dollars. An eligible employee shall complete an enrollment form and submit it to his department head for approval and signature. Vacation credits may be purchased in one or two week increments.

The enrollment form shall include the following information:

- 1. The amount of vacation credits the employee is purchasing.**
- 2. The amount of money the purchase is costing the employee.**
- 3. The signature of the employee's department head.**
- 4. The signature of the employee that he/she understands that he/she must have exhausted all of his/her accrued vacation time prior to using the purchased vacation credits.**
- 5. The signature of the employee that he/she understands that he/she can not change his/her election during the plan year unless there is a qualifying change in family or employment status.**
- 6. The signature of the employee that he/she understands that any funds not claimed for the plan year must be forfeited and can not be refunded or carried forward to the next year.**
- 7. The signature of the employee that he/she understands that his/her social security benefits may be reduced by this election due to the pre-tax treatment of these expenses.**

Upon receipt of the enrollment form, Human Resources shall establish a payroll deduction for the employee for the enrollment year. The payroll deduction shall be on a pre-tax basis. Funds that are deducted from the employee's pay shall be placed in a secured account for future use during the calendar year.

Employees shall be able to use the full amount of the purchased vacation credits subject to department head approval and provided the employee has exhausted his/her accrued vacation time.

ENROLLMENT FORM

FLEXIBLE BENEFIT VACATION CREDIT PURCHASE

Name: _____ Date of Hire: _____

Work Phone #: _____ Home Phone #: _____

Department: _____ Calendar Year: _____

Hourly Rate on Jan 1st: \$ _____ Pay Period Earnings on Jan 1st: \$ _____

I want to purchase:

_____ One (1) Week Vacation Credits _____ Two (2) Weeks Vacation Credits

I authorize \$ _____ to be deducted from my weekly paycheck for _____ weeks.
_____ initial

I understand and agree that I can not use my purchased vacation credits until such time as my regularly accrued vacation time is exhausted. _____ initial

I understand that any funds that are in my vacation credit account that I do not get to use by the end of the calendar year will be forfeited. _____ initial

I understand that my social security benefits may be reduced by electing to purchase vacation credits. _____ initial

I understand that if I terminate my employment and have received vacation credit pay but have not paid for it, the amount overpaid shall be deducted from my final pay check.
_____ initial

Employee Signature Date

Dept Head Signature Date

Payroll Coordinator Date

Human Resources Date