

PTO Pocket Glossary

Your company is unique - your PTO policy should be too. Here is a look at the most commonly used PTO terms and types to help you customize the perfect plans for your employees.



Paid Time Off (PTO)

Time that employees can take off of work while still getting paid regular wages. This does not include times in which an employee is working remotely or telecommuting. Typically, PTO policies combine vacation, sick, and personal days.

Unpaid Time Off

Time off in which an employee is not compensated for the missed days. Types of unpaid time off may include a leave of absence, military leave, unpaid personal time off, vacation beyond paid vacation days, and medical leave.

PTO Banks

A PTO strategy that bundles together multiple PTO types, most commonly sick leave and vacation time, rather than assigning a certain number of days for each type.

Annual Allotment

A PTO approach in which employees are allotted a number of days per year that either expire or roll over on a particular date. This date is typically January 1, or based on the employee's hire date. Allotted PTO can be a flat annual amount for all employees or based on years of service.

Example: 10 days per year with the employee having the ability to roll over up to three days from one year to the next, with the anniversary date being the hire date.

Accrual Bank

A PTO approach in which employees accrue PTO, typically on a monthly or quarterly predetermined basis. This policy is not based on a fixed date and there are no rollover days; however, there is usually a positive limit of accrual dates, after which no more days can be accrued until some are used. Accrual PTO can be a flat amount or based on years of service. More employers are moving towards an Accrual Bank approach as it provides more flexibility for employees to plan for larger blocks of time off without having to account for rollover dates.

Example: 10 days per year, accruing monthly, up to a positive limit of 20 days. Once the employee hits those 20 days, they cannot accrue any more PTO days until some are taken.

Common PTO Types:

Holidays

National holidays or specified days off that an entire company observes. Employees cannot request time off during these dates as they are already declared days off.

Floating Holidays

Unlike a holiday that the entire company observes, employees can choose whether or not to take a floating holiday as a paid day off or leave in their bank as an additional PTO day in the future.

Paid Family Leave

Leave for employees needing to take care of family members - most commonly in regards to health concerns.

Paid Sick Leave

A benefit that allows employees to take time off due to health issues. Typically, employees will utilize sick leave for personal medical care.

Bereavement

Leave taken by an employee due to the death of another individual, most commonly a close relative. This paid time off is given so that the employee can grieve the loss of a loved one and/or attend a funeral or make other post-death arrangements.

Jury Duty

Many companies provide paid time off for employees to report for jury duty, as jury duty is federally mandated; however, some employers provide unpaid time off instead.

BerniePortal PTO Tracking

Stay organized and streamline the way you track paid time off with BerniePortal's PTO Tracking feature.

[LEARN MORE](#)

