

FREQUENTLY ASKED QUESTIONS

~ *NEW* ~ HOURLY VACATION PROGRAM

When does the new Hourly Vacation Program go into effect?

December 27, 2010.

Who is eligible for vacation pay?

Hourly employees are eligible for vacation pay after one (1) year of service. Employees must average 32 hours per week for the 6 months prior to their anniversary date (an employee could be eligible one year and ineligible the next, if hour requirements are not met each year).

How can a manager check eligibility for an employee?

Total hours worked can be viewed in ROSNet by selecting the Employee Average Hours Worked report under Payroll Reports. Make sure you change the date to calculate hours from anniversary date for each employee.

The eligibility requirements changed. What if a long-term employee is no longer eligible?

For employees hired prior to January 1, 2008 through the entire year of 2011, they will be eligible under the "old" vacation program criteria with the exclusion of continuous service requirement. However, all employees will be converted to the new Hourly Vacation program on their 2012 anniversary date.

For example: Employee's hire date is September 4, 1996 and he averages 29.84 hours per week. For 2011 vacation pay, he will be eligible and paid under the "old" vacation program. But beginning on his anniversary date in 2012, he will need to work more hours to be eligible for vacation pay.

How much vacation time are employees eligible to receive?

Employees with less than five years of service will be eligible for one week of vacation pay per year, while employees with five or more years of service will be eligible for two weeks of vacation pay per year.

Are employees ever eligible to receive more than two weeks of vacation?

No. The policy is designed to provide one week of vacation for employees with less than five years of service and two weeks of vacation for employees with five or more years of service.

How does an employee receive vacation pay?

Once a Vacation Request is submitted to the Benefits Department by the manager, the restaurant will receive a response back with approval or information regarding why the employee was not approved. If approved, vacation pay will be paid on the next regularly scheduled pay date. For employees to be paid in a timely manner, managers should submit the request to the Benefits Department by the Friday before the payroll is processed.

For example: If the region's next pay date is Friday, August 5, 2011, paid vacation requests should be submitted to the Benefits Department by Friday, July 29, 2010.

How is Hourly Vacation pay calculated for non-tipped employees?

For non-tipped employees, vacation pay is calculated by multiplying the average blended hourly rate and the average number of hours worked per week for the six (6) months prior to the anniversary date, with a maximum of 40 hours per week.

For example: The following employee was paid an average blended hourly rate of \$11.38 and she worked an average of 35.27 hours per week. Her vacation pay would be calculated with the following equation, $\$11.38 \times 35.27 = \401.37 .

How is Hourly Vacation pay calculated for tipped employees?

For tipped employees, vacation pay is calculated by multiplying the average blended hourly rate and the average number of hours worked per week for the six (6) months prior to the anniversary date, with a maximum of 40 hours per week, and then adding the average weekly tips declared for the six (6) months prior to the anniversary date.

For example: The following employee was paid an average blended hourly rate of \$3.38, he worked an average of 34.87 hours per week and his weekly declared average of tips was \$284.77. His vacation pay would be calculated with the following equation, $\$3.38 \times 34.87 + \$284.77 = \$402.63$.

When is a rehired employee eligible for a paid vacation?

A rehired employee will be eligible for a paid vacation after they have completed one (1) year of service from their rehire date, as long as the rehired employee meets the 32 hour eligible criteria.

For example: The following employee was original hired March 11, 2001; however, he quit working at Applebee's on January 10, 2009 to attend school. After finishing a few semesters, he returned to work at Applebee's on May 15, 2010. If he works an average of 32 hours per week for the 6 months prior to his anniversary date, he will be eligible for vacation beginning May 15, 2011.

Does an employee get paid for vacation upon termination from AmRest-Applebee's?

No. Unless otherwise required by federal, state or local law, AmRest-Applebee's does not pay for unused vacation upon termination.