

**Winning Wheels, Inc.**

**Policy Title:** Vacation Time Cash-Out Policy

**Effective Date:** 7/1/25

**Department:** Payroll

**Applies To:** All Eligible Employees

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### **Purpose:**

To establish clear guidelines for employees who wish to cash in unused, accrued vacation hours in lieu of taking time off, while maintaining appropriate staffing levels and ensuring financial sustainability.

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### **Policy:**

Eligible employees may elect to receive a cash payout for a portion of their accrued, unused vacation hours, subject to the conditions and limitations outlined in this policy.

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### **Eligibility:**

1. Must be a full-time or part-time employee (not PRN or temporary).
  2. Must have completed at least **12 months** of continuous employment.
  3. Must have a **minimum balance of 80 accrued vacation hours** before requesting a cash-out.
  4. Employees may not be on a performance improvement plan or disciplinary action.
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### **Cash-Out Conditions:**

1. Employees may request to cash out up to **80 hours** of vacation time **once per calendar year**.
  2. The request must be submitted in writing using the **Vacation Cash-Out Request Form** and approved by the **Department Supervisor** and **Director of Finance**.
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## Payment:

- Approved vacation cash-outs will be processed through the next available payroll cycle.
  - Payout will be made at the employee's **current base rate of pay**.
  - Cash-out is subject to normal tax withholdings.
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## Limitations:

- The facility reserves the right to **deny** or **delay** a cash-out request based on operational needs or budget constraints.
  - Cash-outs are not permitted if the vacation balance falls below the required threshold.
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## Procedure:

1. Employee completes and submits the **Vacation Cash-Out Request Form** at least one **week in advance**.
  2. Human Resources or Department Supervisor verifies eligibility and available balance.
  3. Employee is notified of approval/denial within **five business days**.
  4. Approved payouts are included in the next regular payroll.
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## Policy Review:

This policy will be reviewed annually and updated as needed to comply with labor laws and organizational needs.

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**Winning Wheels Inc.  
Vacation Cash-Out Request Form  
Payroll Department**

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**Employee Information**

- **Name:** \_\_\_\_\_
  - **Employee ID #:** \_\_\_\_\_
  - **Department:** \_\_\_\_\_
  - **Position Title:** \_\_\_\_\_
  - **Date of Hire:** \_\_\_\_\_
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**Cash-Out Request Details**

- **Total Accrued Vacation Hours:** \_\_\_\_\_
  - **Number of Hours to Cash Out (Max 80):** \_\_\_\_\_
  - **Date of Request:** \_\_\_\_\_
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**Employee Acknowledgment**

By signing below, I certify that:

- I meet all eligibility requirements outlined in the Vacation Cash-Out Policy.
- I understand the requested hours will be paid at my current base rate of pay.
- I understand that applicable taxes and withholdings will apply.
- I understand that this request is subject to approval and may be denied based on operational or budgetary needs.

**Employee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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**Supervisor Review**

- **Supervisor Name:** \_\_\_\_\_
- **Do you approve this request based on departmental coverage?**  
☐ Yes      ☐ No
- **Comments:** \_\_\_\_\_

**Supervisor Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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**Payroll Use Only**

- **Eligible for Cash-Out:** ☐ Yes ☐ No
- **Vacation Balance Verified:** ☐ Yes ☐ No
- **Approved Amount (Hours):** \_\_\_\_\_
- **Payroll Processing Date:** \_\_\_\_\_

**Director of Finance Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

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