



## Policy: Paid Vacation and Sick Leave for SCA Employees

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The McNamara-O’Hara Service Contract Act (SCA) of 1965 requires specific vacation benefits be provided to covered employees based upon the completion of standard periods of service. Executive Order (EO) 13706 requires that certain federal contractors provide specified paid sick leave benefits to employees performing work on or in connection with SCA-covered contracts as defined in the EO.

This policy provides basic information concerning vacation and paid sick leave in accordance with the SCA and EO 13706, for employees engaged in performing work whose wages and benefits are governed by the SCA. Although EO 13706 only applies to certain new contracts, MIL has elected to utilize this policy for all employees that work on an SCA-covered contract, regardless of whether the contract is considered a new contract by the EO. For questions concerning paid sick leave, employees should contact Human Resources or emailing [hr@milcorp.com](mailto:hr@milcorp.com). The Company is committed to complying with EO 13706 and shall interpret and apply this policy in a manner consistent with the EO.

### Vacation Leave

#### *Vacation Leave Prior to First Anniversary Date*

Prior to the first anniversary date only, SCA-covered employees will earn paid vacation time at the rate of 0.0192 for each hour recorded in the timesheet period (one week for the first year for an employee recording 2,080 hours). Any outstanding accrued balance will be paid out on approximately the employee’s first anniversary date or on the date of termination of employment if earlier.

#### *Vacation Leave Commencing on First Anniversary Date*

SCA-covered employees will be issued a bank of vacation leave on the anniversary of their date of hire. The below chart provides the amount of vacation based on years of service for a full-time employee that regularly worked at least 40 hours per week in the prior year:

Years of Service	Vacation Hours
1 - 5 years	80
6 - 10 years	120
11 years and over	160

For example, a full-time employee receives 120 hours of vacation time after 5 years of service.

Years of Service in the above table includes the whole span of continuous service with the Company and with any predecessor contractor in the performance of similar work at the same Federal facility.

An employee that worked less than 40 hours per week in the prior year shall be provided a proportion of the above vacation hours (rounded to the nearest one-half hour) based either (a) the regular scheduled hours that the employee works or (b) on the number of hours the employee worked in the year



preceding the employee's anniversary date of employment; whichever is deemed most appropriate under the circumstances.

Unused vacation time will be paid out before the employee's next anniversary date, before completion of the applicable SCA-covered contract, or upon termination of employment, whichever occurs first.

### **Paid Sick Leave**

Employees covered by this policy accrue paid sick leave in addition to the vacation leave provided above.

#### **1. Amount of Paid Sick Leave**

- Employees covered by this policy accrue 1 hour of paid sick leave for every 30 hours worked.
- Employees may accrue a maximum of 56 hours of paid sick leave each accrual year.
  - MIL will calculate paid sick leave accrual at the end of each pay period. Employees will be notified of the amount of paid sick leave they have available under this policy at the end of each pay period by viewing their on-line paystub.
  - Any fraction of hours worked shall be added to hours worked in subsequent pay periods to reach the next 30 hours worked.
- For purposes of this policy, the accrual year is the calendar year.
- Employees may carryover up to 56 hours of accrued, unused paid sick leave from one accrual year to the next.
- Employees may have a maximum of 56 accrued hours of paid sick leave available at any point in time. In the second and subsequent years, once an employee's bank of carried over and accrued time reaches 56 hours of paid sick leave, the employee will stop accruing paid sick leave until the employee uses paid sick leave and the balance drops below 56 hours.

#### **2. Use of Paid Sick Leave**

An employee may use paid sick leave for an absence resulting from the following:

- The employee's own physical or mental illness, injury, or medical condition;
- Obtaining diagnosis, care, or preventive care from a health care provider by the employee;
- Caring for the employee's family member with a physical or mental illness, injury, or medical condition or for obtaining diagnosis, care or preventative care from a health care provider by the family member, or the family member is otherwise in need of care;
- Domestic violence, sexual assault, or stalking, where the employee or a family member is a victim, including to obtain counseling, seek relocation, seek assistance from a victim services organization, or take legal action.

For purposes of this policy, "family member" shall include the employee's child, parent, spouse, domestic partner, or any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

Employees must use paid sick leave in no less than half-hour increments.

Employees will receive their regular pay and benefits when using paid sick leave, but employees will not continue to earn additional paid sick leave during that time.

If the need for leave is for preventative care or is otherwise foreseeable, the employee is encouraged to make reasonable efforts to schedule absences so as not to unduly disrupt operations.



If an employee with accrued paid sick leave takes leave under the Family and Medical Leave Act policy, all accrued paid sick leave must be used before leave is unpaid. Paid sick leave will run concurrently with Family and Medical Leave.

### 3. Requests to Use Paid Sick Leave

Employees must request to use paid sick leave by contacting their supervisor, informing him/her of the need for leave for a purpose described in this policy and the anticipated duration of the leave, if reasonably feasible. The employee shall make a good faith effort to provide a reasonable estimate of the length of the requested absence.

When an employee wants to use accrued paid sick leave and the reason for the absence is foreseeable, the employee must request the leave at least 7 calendar days in advance of the absence. When the need for the absence is not foreseeable, employees must request to use accrued paid sick leave as soon as practicable, which in most cases should be at least 2 hours before the start of the employee's shift.

When an employee is absent for 3 or more consecutive full days, the employee must provide certification or documentation from a health care provider. If the paid sick leave is used for an absence resulting from domestic violence, sexual assault or stalking, documentation may be from a health care provider, counselor, victim representative, attorney, clergy member, family member, or close friend; and self-certification is also permitted.

All medical documentation and documents related to domestic violence, sexual assault and stalking will be kept confidential unless disclosure is required or permitted by law.

### 4. Recording Paid Sick Leave on Timesheets

Employees shall report time covered by paid sick leave as such on their timesheets pursuant to guidance provided by the payroll or human resources department.

### 5. General Information

Use of paid sick leave is restricted to the uses set forth above. Use of paid sick leave for unauthorized purposes (such as personal vacation) may result in discipline up to and including termination of employment.

Any employee who has a question regarding paid sick leave or identifies an error in the calculation of accrued or used paid sick leave or identifies any other error in connection with this policy should contact Human Resources or emailing [hr@milcorp.com](mailto:hr@milcorp.com)

### 6. Upon Termination

Employees will not be paid for accrued, unused paid sick leave when their employment ends. However, if an employee is rehired within twelve (12) months after their termination any accrued, unused paid sick leave as of their termination date will be reinstated.

### **Interference, Discrimination Prohibited**

#### *Interference*

MIL will not interfere in any manner with employees' accrual or use vacation and/or paid sick leave as required by the SCA and Executive Order 13706.

Interference includes but is not limited to miscalculating the amount of vacation or paid sick leave an employee is issued or accrued, denying or unreasonably delaying a response to a proper request to use



vacation or paid sick leave, discouraging an employee from using vacation or paid sick leave, reducing an employee's vacation or accrued paid sick leave, reducing an employee's vacation or accrued paid sick leave by more than the amount of such leave used, transferring the employee to work on non-covered contracts to prevent the issuance/accrual or use of vacation or paid sick leave, disclosing confidential information contained in certification or other documentation provided to verify the need to use vacation or paid sick leave, or making the use of vacation or paid sick leave contingent on the employee's finding a replacement worker or the fulfillment of the contractor's operational needs.

#### *Discrimination*

MIL will not discharge or in any other manner discriminate against any employee for:

- Using or attempting to use vacation or paid sick leave as provided under the SCA and Executive Order 13706;
- Filing any complaint, initiating any proceeding, or otherwise asserting any right or claim under the SCA and Executive Order 13706;
- Cooperating in any investigation or testifying in any proceeding under the SCA and Executive Order 13706; or informing any other person about his or her rights under the SCA and Executive Order 13706.

Discrimination includes, but is not limited to, a contractor considering any of the activities described above as a negative factor in employment actions, such as hiring, promotions, or disciplinary counting vacation or paid sick leave under a no-fault attendance policy.

Interference with an employee's rights to be issued, accrue, and use vacation and paid sick leave and retaliation for using vacation and paid sick leave are prohibited and will result in discipline up to and including termination of employment. Reports of interference and retaliation should be directed to Human Resources or by emailing [hr@milcorp.com](mailto:hr@milcorp.com), or calling the MIL Hotline at 844-853-2187.

#### **Waiver of Rights Prohibited**

Employees will not be required to waive their rights under the SCA and Executive Order 13706.

#### **Recordkeeping Required**

MIL will make, maintain and make available to representatives of the US Department of Labor records required in the SCA and Executive Order 13706.