

Town of Holly Springs  
North Carolina



**PERSONNEL POLICIES**

July 1, 2016

BE IT RESOLVED by the Town Council of the Town of Holly Springs that the following policies apply to the appointment, classification, benefits, salary, promotion, demotion, dismissal, and conditions of employment of the employees of the Town of Holly Springs.

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## **ARTICLE I. GENERAL PROVISIONS**

### **Section 1. Purpose of the Policy**

It is the purpose of this policy and the rules and regulations set forth to establish a fair and uniform system of personnel administration for all employees of the Town under the supervision of the Town Manager. This policy is established under authority of Chapter 160A, Article 7, of the General Statutes of North Carolina.

### **Section 2. At Will Employment**

The employment relationship between the Town and the employee is terminable at the will of either at any time and with or without cause and with or without notice. No employee, officer or representative of the Town has any authority to enter into any agreement or representation, verbally or in writing, which alters, amends, or contradicts this provision or the provisions in these policies. Any exception to this policy of at-will employment must be expressly authorized in writing, approved by the Council and executed by the officers designated by the Council.

None of the benefits or policies set forth in these policies are intended, because of their publication, to confer any rights or privileges upon employees or to entitle them to be or remain employed by the Town. The contents of this document are presented as a matter of information only.

These personnel policies are not a binding contract, but merely a set of guidelines for the implementation of personnel policies. The Town explicitly reserves the right to modify any of the provisions of these policies at any time and without any notice to employees.

Notwithstanding any of the provisions within these policies, employment may be terminated at any time, either by the employee or by the Town, with or without cause and without advance notice.

### **Section 3. Merit Principle**

All appointments and promotions shall be made solely on the basis of merit. All positions requiring the performance of the same duties and fulfillment of the same responsibilities shall be assigned to the same class and the same salary range. No applicant for employment or employee shall be deprived of employment opportunities or otherwise adversely affected as an employee because of such individual's race, color, religion, gender, national origin, political affiliation, non-disqualifying disability, age, marital status or veteran status.

#### **Section 4. Responsibilities of the Town Council**

The Town Council shall be responsible for establishing and approving personnel policies, the position classification and pay plan, and may change the policies and benefits as necessary. They also shall make and confirm appointments when so specified by the general statutes.

#### **Section 5. Responsibilities of the Town Manager**

The Town Manager shall be responsible to the Town Council for the administration and technical direction of the personnel program. The Town Manager shall appoint, suspend, and remove all Town employees except those whose appointment is otherwise provided for by law. The Town Manager shall make appointments, dismissals and suspensions in accordance with the Town charter and other policies and procedures spelled out in other Articles in this Policy. The Town Manager shall supervise or participate in:

- 1) Recommending rules and revisions to the personnel system to the Town Council for consideration;
- 2) Making changes as necessary to maintain an up-to-date and accurate position classification plan;
- 3) Preparing and recommending necessary revisions to the pay plan;
- 4) Determining which employees shall be subject to the overtime provisions of FLSA;
- 5) Developing and administering such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- 6) Performing such other duties as may be assigned by the Town Council not inconsistent with this Policy; and
- 7) Appointing an employee to the role of Human Resources Director.

#### **Section 6. Responsibilities of the Human Resources Director**

The responsibilities of the Human Resources Director shall be to ensure the establishment, implementation and management of a modern personnel system reflecting the Equal Employment Opportunity and Non-discriminatory vision and values of the Town of Holly Springs. Those responsibilities include, but shall not be limited to, the following:

- 1) Recommending rules and revisions to the personnel system to the Town Manager for consideration;
- 2) Recommending changes as necessary to maintain an up-to-date and accurate position classification plan;
- 3) Recommending necessary revisions to the pay plan;
- 4) Recommending which employees shall be subject to the overtime provisions of FLSA;
- 5) Maintaining a roster of all persons in the municipal service;
- 6) Establishing and maintaining a list of authorized positions in the municipal service at the beginning of each budget year which identifies each authorized position, class title of position, salary range, any changes in class title and status, position number and other such data as may be desirable or useful;
- 7) Developing and administering such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- 8) Developing and coordinating training and educational programs for Town employees;
- 9) Periodically investigating the operation and effect of the personnel provisions of this Policy; and
- 10) Performing such other duties as may be assigned by the Town Manager not inconsistent with this Policy.

## **Section 7. Application of Policies, Plan, Rules, and Regulations**

The personnel policy and all rules and regulations adopted pursuant thereto shall be binding on all Town employees. The Town Manager, Town Attorney, members of the Town Council and advisory boards and commissions will be exempted except in sections where specifically included. An employee violating any of the provisions of this policy shall be subject to appropriate disciplinary action, as well as prosecution under any civil or criminal laws which have been violated.

## **Section 8. Departmental Rules and Regulations**

Because of the particular personnel and operational requirements of the various departments of the Town, each department is authorized to establish supplemental written rules and regulations applicable only to the personnel of that department. All such rules



and regulations shall be subject to the approval of the Town Manager, and shall not in any way conflict with the provisions of this Policy, but shall be considered as a supplement to this Policy.

## **Section 9. Definitions**

For the purposes of this Policy, the following words and phrases shall have the meanings respectively ascribed to them by this section:

**Allocated Position.** An allocated position is authorized as a regular position by the Town Council. Regular allocated positions are assigned a specific job title, salary grade, salary range, duties, and minimum qualifications. Appointments to allocated positions are made through a competitive selection process. All town positions are subject to budget review and approval each year by the Town Council.

**Continuous Service.** Years of regular service with the Town of Holly Springs without a termination and rehire of employment. This does not include Family and Medical leaves of absence. Continuous service in regards to the Health Insurance for Retirees only includes full-time, regular employees.

**Grievance.** A claim or complaint based upon an event or condition which affects the circumstances under which an employee works, allegedly caused by misinterpretation, unfair application, or lack of established policy pertaining to employment expectations.

**Immediate Family.** Immediate family, for purposes of these policies, means employee's spouse, guardian, children, brother, sister, parent(s), in-laws of the employee and anyone living as a part of the household of the employee.

**Pay Status.** When an employee is working or is on paid leave (vacation leave or sick leave).

**Probationary Employee.** A person appointed to an allocated position who has not yet successfully completed the designated probationary period. A probationary employee may be rejected, dismissed, demoted or suspended without the right to appeal. An employee who successfully completes the probationary period will be considered a regular employee of the Town.

**Probationary Period.** The initial six (6) months (12 months for Sworn Law Enforcement Officers and Department Heads) of employment or promotion representing the period of observable work performance to determine the suitability and ability of the employee to satisfactorily perform the duties and responsibilities of the position. The Probationary Period may be extended up to an additional six (6) months but shall not exceed twelve (12) months (18 months for Sworn Law Enforcement Officers and Department Heads).

**Regular Full-Time Employee.** A person appointed to a full-time allocated position, for which an average workweek equals 40 or more hours. Regular full-time employees are eligible for all employee benefits.

**Regular Part-Time Employee.** A person appointed to a part-time allocated position and normally works at least 20 hours and less than 40 hours per workweek. A regular part-time employee is eligible for pro-rated benefits based on the number of hours normally authorized to work.

**Temporary Employee.** A person hired by a department to perform additional extra help. Many work on a seasonal or short-term basis. Temporary employees are paid on an hourly basis only for hours actually worked and cannot work more than 25 hours in a workweek. They are not eligible for benefits except those mandated by State and Federal government. The temporary employee or the Town can at any time or for any reason terminate the employment relationship.

**Trainee.** An employee status when an applicant is hired (or employee promoted) who does not meet all of the requirements for the position. During the duration of a trainee appointment, the employee is on probationary status.

## **ARTICLE II. POSITION CLASSIFICATION PLAN**

### **Section 1. Purpose**

The position classification plan provides a complete inventory of all authorized and allocated positions in the Town service, and an accurate description and specification for each class of employment. The plan standardizes job titles, each of which is indicative of a definite range of duties and responsibilities.

### **Section 2. Composition of the Position Classification Plan**

The classification plan shall consist of:

- 1) A grouping of positions in classes which are approximately equal in difficulty and responsibility which call for the same general qualifications, and which can be equitably compensated within the same range of pay under similar working conditions;
- 2) Class titles descriptive of the work of the class;
- 3) Written specifications for each class of positions; and
- 4) An allocation list showing the class title of each position in the classified service.

### **Section 3. Use of the Position Classification Plan**

The classification plan is to be used:

- 1) As a guide in recruiting and examining applicants for employment;
- 2) In determining lines of promotion and in developing employee training programs;
- 3) In determining salary to be paid for various types of work;
- 4) In determining personnel service items in departmental budgets; and
- 5) In providing uniform job terminology.

#### **Section 4. Administration of the Position Classification Plan**

The Human Resources Director shall allocate each position covered by the classification plan to its appropriate class, and shall be responsible for the administration of the position classification plan. The Human Resources Director shall periodically review portions of the classification plan and recommend appropriate changes to the Town Manager.

#### **Section 5. Authorization of New Positions and the Position Classification Plan**

New positions shall be established upon recommendation of the Town Manager and approval of the Town Council. New positions shall be recommended to the Council with a recommended class title after which the Town Manager, or designee, shall either allocate the new position into the appropriate existing class, or revise the position classification plan to establish a new class to which the new position may be allocated. The position classification plan, along with any new positions or classifications, shall be approved by the Town Council and on file with the Human Resources Director.

#### **Section 6. Request for Reclassification**

Any Department Head who considers a position within their department to be misclassified, shall submit a request in writing for reclassification to the Human Resources Director. Upon receipt of such request, the Human Resources Director shall study the request, determine the merit of the reclassification, inform the Town Manager of the request and make any recommended revisions to the classification and pay plan to the Town Manager.

## **ARTICLE III. THE PAY PLAN**

### **Section 1. Definition**

The pay plan includes the basic salary schedule and the "Assignment of Classes to Grades" adopted by the Town Council. Each position is assigned a classification title and each title is assigned to a salary grade with a specific salary range. Positions are assigned to grades within the pay plan based on the duties and responsibilities assigned. Positions with more complex tasks, more responsibility, or requiring more technical knowledge are assigned to higher salary ranges than positions with lower responsibilities or knowledge requirements. Salary ranges are set based on two components: competitiveness with the market and internal equity with similar position and occupational groups. The salary range consists of the minimum (normal hiring rate), mid-point, and maximum rates of pay for all classes of positions.

### **Section 2. Administration and Maintenance**

The Town Manager, assisted by the Human Resources Director, shall be responsible for the administration and maintenance of the pay plan. All employees covered by the pay plan shall be paid at a rate listed within the salary range established for the respective position classification, except for employees in trainee status or employees whose existing salaries are above the established maximum rate following transition to a new pay plan.

The pay plan is intended to provide equitable compensation for all positions, reflecting differences in the duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the cost of living, the financial conditions of the Town, and other factors. To this end, each budget year the Human Resources Director shall make comparative studies of all factors affecting the level of salary ranges including the consumer price index, anticipated changes in surrounding employer plans, and other relevant factors, and will recommend to the Town Manager such changes in salary ranges as appear to be pertinent. Such changes shall be made in the salary ranges such that the minimum and the maximum change according to the market. Periodically, the Town Manager shall recommend that individual salary ranges be studied and adjusted as necessary to maintain market competitiveness. Such adjustments will be made by increasing or decreasing the assigned salary grade for the class and possibly adjusting the rate of pay for employees in the class when the action is approved by the Town Council.

### **Section 3. Starting Salaries**

A new regular employee is normally hired at the minimum of the salary range for the classification involved. Appointments above the minimum may be made with approval of the Human Resources Director and the Town Manager when deemed in the best interest of the Town, and will be based on such factors as exceptional qualifications of the

applicant much higher than the required education and experience for the class, shortage of qualified applicants, equal pay justification or operational need.

#### **Section 4. Trainee Designation and Provisions**

Applicants being considered for employment or Town employees who do not meet all of the requirements for the position for which they are being considered may be hired, promoted, demoted, or transferred by the Town Manager to a "trainee" status. In such cases, a plan for training, including a time schedule, must be prepared by the Department Head.

"Trainee" salaries shall be no more than two grades below the minimum salary rate established for the position for which the person is being trained. A new employee designated as "trainee" shall be regarded as being in a probationary period. However, trainee periods may extend from three to eighteen months. A trainee shall remain a probationary employee until the trainee period is satisfactorily completed.

If the training is not successfully completed to the satisfaction of the Town Manager, the trainee shall be transferred, demoted, or dismissed. If the training is successfully completed, the employee shall be paid at least at the minimum rate established for the position for which the employee was trained.

#### **Section 5. Merit Pay**

Upward movement within the established salary range for an employee is not automatic, but rather based upon specific performance-related criteria. Procedures for determining performance levels and performance pay increases or other performance-related movement within the range shall be established in procedures approved by the Town Manager. Merit increases may be granted annually based on performance. The amount of merit increase may vary from year to year, depending on the budget adopted by the Town Council. Employees who perform below expectations on the performance evaluation will not be eligible for any cost-of-living increases authorized in that same calendar year. Only employees starting regular employment with the Town prior to July 1 of the previous calendar year are eligible for merit pay based on the performance evaluation. Employees on a leave of absence will be eligible for a performance review and possible merit increase upon their return to work.

#### **Section 6. Merit Pay Bonus**

Employees who are at the maximum amount of the salary range for their position classification are eligible to be considered for a Merit Bonus at their regular performance evaluation time. Merit pay bonuses shall be awarded based upon the performance of the employee as described in the performance evaluation and in the same amounts as employees who are within the salary range. Merit pay bonuses shall be awarded in lump sum payments and do not become part of base pay. Employees retiring with 20 or more years with the Town shall be eligible to be paid out any remaining merit pay that was

authorized by the Town Council for the preceding year, upon their retirement, if they retire by December 31 of that year.

## **Section 7. Salary Effect of Promotions, Demotions, Transfers, and Reclassifications**

**Promotions.** A promotion is a move to a position with a higher salary grade. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility. When an employee is promoted, the employee's salary shall normally be advanced to the minimum of the new salary grade, or to a salary which provides an increase of approximately 5% over the employee's salary before the promotion, whichever is greater. In the event of highly skilled and qualified employees, shortage of qualified applicants, or other reasons related to the merit principle of employment, the Town Manager may set the salary at an appropriate rate in the range of the position to which the employee is promoted that best reflects the employees' qualifications for the job and relative worth to the Town, taking into account the range of the position and the relative qualifications of other employees in the same classification. In no event, however, shall the new salary exceed the maximum rate of the new salary range. In setting the promotion salary, the Town shall consider internal comparisons with other employees in the same or similar jobs.

**Demotion.** A demotion is a move to a position in a lower salary grade. Demotions can be either voluntary, where the employee chooses to take a position in a lower salary grade, or involuntary/disciplinary, resulting from inefficiency in performance or as a disciplinary action. When an employee is voluntarily demoted to a position for which qualified, the salary will likely be cut to reflect a decrease in job responsibilities. The new salary shall be set in the lower pay range that provides a salary commensurate with the employee's qualifications and is consistent with the placement of other employees within the same classification. Employees who accept a voluntary demotion and retain their salary, and are then promoted within 24 months, will retain that same salary. If the demotion is the result of discipline, the salary shall be decreased at least 5%. If the salary of the demoted employee is above the maximum of the new range, the employee's salary shall be maintained at that level until such time as the employee's salary range is increased above the employee's current salary.

**Lateral Transfer.** A lateral transfer is a move from one position to another position at the same salary grade. The salary of an employee who takes a lateral transfer shall remain the same and not be changed by the reassignment.

**Reclassification.** A reclassification is a change in a position's salary grade and title due to a significant increase or decrease in job responsibilities and duties. An employee whose salary is below the minimum of the new salary grade will receive a salary increase at least up to the new minimum salary. If the current salary is above the new salary range minimum, there may be a pay increase based on increased job responsibilities and commensurate with the employee's qualifications and is consistent with the placement of other employees within the same classification.

If the position is reclassified to a lower pay range, the employee's salary shall remain the same. If the employee's salary is above the maximum established for the new range, the salary of that employee shall be maintained at the current level until the range is increased above the employee's salary.

**Labor Market Adjustment.** When an employee's position is adjusted to a class having a higher salary range due to the current labor market trends for hiring and retention, the employee's salary will be adjusted to at least the minimum of the new salary range.

**Redefinition of Class.** When an employee's position is redefined due to redefinition of position class or class series to include departmental organizational changes and/or classification description, no salary increase will be given, only the position title will change.

## **Section 8. Salary Range Revisions**

A salary range revision is a change in the salary range or grade assigned to a specific class of positions. The change may be based upon increased salaries in the relevant labor market, recruitment and retention data, or increased complexity in job content. Salary equity within the work unit must be maintained and other management needs must be given consideration when salary changes based on range revisions are made. When a class of positions is assigned to a higher salary grade, the employees' salaries may also change according to the following guidelines:

- 1) Employee salaries shall be increased, if it is below the new minimum, to at least the minimum rate of the new salary range.
- 2) Salaries that fall between the new minimum and the midpoint of the new salary range do not have to be increased. If funds are available and where appropriate, individual salary increases may be considered but the total cannot exceed the dollar amount provided by the difference in the minimum salaries of the old range and the new range. If the employee's current salary is at the midpoint or above of the new salary range, the salary will remain the same.
- 3) When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum established for the new class, the salary of that employee shall be maintained at that level until such time as the employee's salary range is increased above the employee's current salary.

## **Section 9. Transition to a New Salary Plan**

The following principles shall govern the transition to a new salary plan:



- 1) No employee shall receive a salary reduction as a result of the transition to a new salary plan.
- 2) All employees being paid at a rate lower than the minimum rate established for their respective classes shall have their salaries raised to the new minimum for their classes.
- 3) All employees being paid at a rate above the maximum rate established for their respective classes shall be maintained at that salary level until such time as the employees' salary range is increased above the employees' current salary.

#### **Section 10. In-Range Salary Adjustment**

It is the policy of the Town of Holly Springs, subject to the availability of funds, to grant in-range salary adjustments to recognize job change of employees in regular full-time and part-time positions, to establish equitable salary relationships, and/or to respond to labor market conditions. Only regular full-time or part-time employees are eligible for increases under this policy. In-range adjustments may be considered in the following circumstances:

- 1) Job Change – This type of adjustment is to compensate for changes in job duties and responsibilities as documented in position classification specifications that are at a higher level, but not enough to justify a reclassification to a higher salary grade, or a salary range revision.
- 2) Recruitment/Retention Problems – This type of salary adjustment may be made to reduce or avoid turnover due to market or other conditions that affect retention.
- 3) Salary Equity – This type of salary adjustment is used to establish or re-establish equitable salary relationships among employees in a relevant work unit performing the same type and level of work considering education, skill, related work experience, length of service and performance level.

A completed request for an in-range salary adjustment must be made in writing by the Department Head and include the following information: employee name, classification title, current salary, summary of conditions that support the request, and justification for percent increase requested. It is the responsibility of the Human Resources Director to assess salary administration priorities and in-range salary adjustment requests based on documentation and justifications and make recommendations to the Town Manager. As part of this process, the salary of each employee in the department should be examined for equity purposes. The recommended salary increase ranges from 1-3% subject to approval of the Town Manager.

## **Section 11. Effective Date of Salary Changes**

Salary changes approved after the first working day of a pay period shall become effective at the beginning of the next pay period, or at such specific date as may be provided by procedures approved by the Town Manager.

## **Section 12. Overtime Pay Provisions**

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the Department Head. Overtime work must be approved in advance by the Department Head or Town Manager. Employees are not to perform work during any time that they are not scheduled to work unless they receive approval from their Department Head.

To the extent that local government jurisdictions are so required, the Town will comply with the Fair Labor Standards Act (FLSA). The Human Resources Director shall determine which jobs are "non-exempt" and are therefore subject to the Act in areas such as hours of work and work periods, rates of overtime compensation, and other provisions.

Non-exempt employees will be paid at a straight time rate for hours up to the FLSA established limit for their position (usually 40 hours in a 7 day period; 171 hours for police and 212 hour for fire personnel in a 28 day cycle). It is the policy of the Town that employees receive compensatory time-off at a rate of one-and-one-half (1 ½) hours for each hour of overtime worked beyond the FLSA established limit. An employee must actually work over 40 hours, 171 hours or 212 hours, as may be applicable, to earn compensatory time. In no event will vacation, sick leave, or holidays be included in the computation of hours worked for FLSA purposes. Non-Exempt employees may not accrue a comp time balance of more than 40 hours. Department Heads and supervisors will be responsible for administering their department staff compensatory time balances by having employees take accrued comp time in a timely manner so that it will not accrue to excessive levels over 40 hours. When the 40-hour limit for comp time threshold is reached, the non-exempt employee will receive a monetary payment of one-and-one-half (1 ½) times the employee's regular rate of pay for each hour in excess of the limit. In the case of special events or circumstances, departments may allow designated employees to accumulate a comp time balance over 40 hours (but no more than 80) with prior written approval from the Town Manager. In these cases, the Department Heads must ensure that the comp time balance is brought back down under 40 hours within 6 months.

Employees wishing to use accrued comp time must make a written request to their immediate supervisor. Use of such time will be allowed within a reasonable period following the request as long as the use does not unduly disrupt the operations of the Department/Town.

Notwithstanding the procedures described in this Section, during an absence from work, employees will use any accrued comp time prior to the use of vacation leave.

Whenever practicable, departments will schedule time off on an hour-for-hour basis within the applicable workweek for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be granted in accordance with the FLSA.

Employees in positions determined to be "exempt" from the FLSA are not eligible for overtime pay. Exempt employees may earn "comp time" up to 24 hours to use at the discretion of their Department Head but not to exceed straight time (hour-for-hour) rate. Comp time should be approved by the Town Manager or Department Head and ends without compensation upon termination of employment.

### **Section 13. Call-back and On-Call Pay**

The Town of Holly Springs must provide a variety of critical emergency services 24 hours a day, seven days a week. Need for these services may occur when employees with necessary skills are not on duty. As a result, the Town must be assured that skilled employees are always readily available by placing some employees on standby status. At other times it is necessary for certain employees to respond to any reasonable request for duty at any hour of the day or night. Employees in such positions will share in the responsibility for continuous service, in accordance with the nature of each position. If an employee fails to respond to reasonable calls for emergency service, either special or routine, the employee shall be subject to disciplinary action up to and including dismissal by the Town Manager.

**Call-Back Pay.** Non-exempt employees will be guaranteed a minimum payment of two hours of wages for being called back to work outside of normal working hours when not on call. Non-exempt employees will be paid at the established hourly rate of pay for hours worked outside their normal schedule if they are actually required to return to work and will receive overtime for eligible overtime hours. The minimum of two hours pay is guaranteed for non-exempt employees who are called back or actual hours worked whichever is greater. "Call-back" provisions do not apply to previously scheduled overtime work (scheduled one or more days in advance). If more than one callback occurs within a given shift, total callback time cannot exceed two hours unless the work time exceeds two hours.

**On-Call Pay.** On-call pay compensates certain non-exempt employees who are required to be on-call and return to work by contact via pager or telephone in the event of an emergency. On-call status is a designated period of seven consecutive days. Hours of on-call status are not considered hours of work, and are not recordable on a time sheet. All non-exempt on-call employees shall receive an additional salary base of \$75.00 for each entire week served on-call. There is no additional compensation for being on-call when there is a holiday. Hours actually worked while on-call are calculated beginning

when the employee reports to the work site and are added to the regular total of hours worked for the week.

**Section 14. Holiday Pay**

Holidays are equivalent to 8 hours straight-time pay for all regular full-time employees regardless of their typical workweek schedule and are excluded from hours worked in calculating overtime. Benefits-eligible employees required to work on a regularly scheduled, Town-recognized holiday will be paid at their hourly rate for the hours actually worked plus 8 hours of straight time for the holiday. If a holiday falls on a regularly scheduled off-duty day for shift personnel, the employee shall receive eight (8) hours of straight time for the paid holiday. This additional payment for holiday pay does not count as hours worked for purposes of calculating overtime.

**Section 15. Payroll Deduction**

Deductions shall be made from each employee's salary, as required by law. Additional deductions may be made upon the request of the employee on determination by the Town Manager as to capability of payroll equipment, associated increase in workload and appropriateness of the deduction.

**Section 16. Hourly Rate of Pay**

Employees working in a part-time or temporary capacity with the same duties as full-time employees will work at a rate in the same salary range as the full-time employees. The hourly rate for employees working other than 40 hours per week, such as police officers working an average 42 hours per week, will be determined by dividing the average number of hours scheduled per year into the annual salary for the position.

**Section 17. Longevity Pay**

Full-time and part-time regular employees are compensated for years of service to the Town by payment of a longevity supplement. Longevity pay is based on total number of years of continuous service. Beginning with the 2008-2009 fiscal year, employees shall receive longevity pay on the payday for the pay period in which his/her eligibility date occurs and annually in succeeding years. Employees shall receive longevity pay based on the following table:

<u>Years of Service</u>	<u>Longevity Amount</u>
5 - 9	\$300.00
10 - 14	\$500.00
15 - 19	\$700.00
20 plus	\$1,000.00

If an employee goes on leave without pay, longevity shall not be paid until the employee returns to work and completes six months of service.

### **Section 18. Pay for Acting in a Higher Level Classification**

An employee who is formally designated to perform the duties of a position that is assigned to a higher salary grade than that of the employee's regular classification for a period of 30 days or more shall receive an increase for the duration of the "Acting" assignment. The employee shall receive a salary adjustment to the minimum level of the job in which the employee is acting or an increase of 5%, whichever is greater, upon the start of the assignment. The salary increase shall be temporary and upon completion of the assignment, the employee shall go back to the salary he or she would have had if not assigned to the "Acting" role, taking into account any increases the employee would have received if he/she had not been placed in the "Acting" role.

### **Section 19. Educational Incentive Pay Plan**

The Town offers an educational incentive pay plan to assist employees in their continuing education efforts. The pay plan will provide monetary incentives for completing certain job-specific certifications and courses approved by the Town Manager. In order for courses/certifications to qualify for Educational Pay, they need to be approved by Human Resources prior to beginning the course. Procedures for the educational incentive pay plan shall be established and approved by the Town Manager.

## **ARTICLE IV. RECRUITMENT AND EMPLOYMENT**

### **Section 1. Equal Employment Opportunity Statement**

The Town of Holly Springs fosters, promotes and maintains a consistent recruitment program to promote equal employment opportunity and to identify and attract the most qualified applicants for all vacancies. This intent is achieved through consistency in announcing all positions, evaluating all applicants on the same criteria, providing reasonable accommodations as needed, and by applying consistent testing methods when applicable. The Town shall select employees on the basis of the applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, without regard to race, color, religion, gender, national origin, political affiliation, non-disqualifying disability, age, marital status or veteran status.

### **Section 2. Recruitment, Selection and Appointment**

**Recruitment Sources.** When position vacancies occur, the Human Resources Department shall publicize these opportunities for employment, including applicable salary information and employment qualifications. Open positions should be posted for at least seven calendar days prior to an offer being made. Information on job openings and hiring practices may be provided to a variety of recruitment sources, including professional organizations and news media. In addition, notice of vacancies shall be posted on the Town's website. Individuals shall be recruited from a geographic area as wide as necessary and for a period of time sufficient to ensure that well-qualified applicants are obtained for Town service. In rare situations because of emergency conditions, high turnover, etc., the Town may hire or promote without advertising the position, upon approval of the Town Manager.

**Job Advertisements.** Jobs may be advertised in local newspapers, professional publications, and other relevant publications in order to establish a diverse and qualified applicant pool. The North Carolina Division of Employment Security may also be used as a recruitment source. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

**Employment Application.** All persons expressing interest in employment with the Town shall be given the opportunity to file an application for employment for positions that are vacant. Applications remain active for a period of six months and will be referred to jobs for which the applicant is qualified. After six months, the applicant will need to complete a new application for employment consideration. The applications are typically screened and referred to the hiring department by Human Resources. The hiring department conducts interviews, checks references, and selects the candidate best qualified for the job. Both Human Resources and the Town Manager approve hires before job offers are made.

**Selection.** Department Heads, with the assistance of the Human Resources Director, shall make such investigations and conduct such examinations as necessary to assess accurately the knowledge, skills, and experience qualifications required for the position, including education verification and criminal history. All selection devices administered by the Town shall be valid measures of job performance.

**Appointment.** Before any commitment is made to an applicant, either internally or externally, the Department Head shall make recommendations to the Human Resources Director regarding the salary requested and the reasons for selecting the candidate over other applicants. The Human Resources Director and Department Head shall make recommendations to the Town Manager regarding the candidate and starting salary of appointments for his/her approval.

### **Section 3. Probationary Period**

An employee appointed, promoted, or transferred to a regular position shall serve a probationary period. The probationary period serves as an extension of the selection process. It provides time for the employee to adjust and allows the supervisor time to ensure the new employee can satisfactorily meet performance expectations before granting regular status. Employees shall serve a six-month probationary period, except that sworn police and Department Heads shall serve a twelve-month probationary period. Employees hired as “trainees” shall remain on probation until the provisions of their traineeship are satisfied. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress. Supervisors are encouraged to have an informal review with employees six months into a twelve-month probation.

Before the end of the probationary period, the supervisor shall conduct a performance conference with the employee to discuss accomplishments, strengths, and needed improvements. The supervisor shall recommend in writing whether the probationary period should be completed, extended, or the employee transferred, demoted, or dismissed. Probationary periods may be extended for a maximum of *six* additional months. Disciplinary action, including demotion and dismissal, may be taken at any time during the probationary period of a new hire without following the steps outlined in this policy.

A promoted employee who does not successfully complete the probationary period may be transferred or demoted to a position in which the employee shows promise of success. If no such position is available, the employee shall be dismissed. Promoted and demoted employees who are on probation retain all other rights and benefits such as the right to use the grievance procedures.

#### **Section 4. Promotion**

Promotion is the movement of an employee from one position to a vacant position in a class assigned to a higher salary grade. The Town strives to promote and provide career opportunities for its employees whenever possible. Therefore, when a current employee applying for a vacant position is the best suited of all applicants, that applicant shall be appointed to that position. The Town will balance three goals in the employment process: 1) obtaining the best possible employee who will provide the most productivity in that position; 2) providing equal employment opportunity and a diversified workforce to the community; and 3) the benefits to employees and the organization of promotion from within. Therefore, except in rare situations where previous town experience is essential (such as promotions to Police Sergeant), or exceptional qualifications of an internal candidate so indicate, the Town will consider external and internal candidates rather than automatically promote from within. Candidates for promotion shall be chosen on the basis of their qualifications and their work records. Internal candidates shall apply for promotions using the same application process as external candidates.

#### **Section 5. Demotion**

Demotion is the movement of an employee from one position to a position in a class assigned to a lower salary range. Demotion may be voluntary or involuntary. An employee whose work or conduct in the current position is unsatisfactory may be demoted provided that the employee shows promise of becoming a satisfactory employee in the lower position. Such disciplinary demotion shall follow the disciplinary procedures outlined in this Policy.

An employee who wishes to accept a position with less complex duties and reduced responsibilities may request a voluntary demotion by using the same application process as external candidates. A voluntary demotion is not a disciplinary action and is made without using the above-referenced disciplinary procedures.

#### **Section 6. Lateral Transfer**

A Lateral Transfer is the movement of an employee from one position to another position in the same salary grade. If a vacancy occurs and an employee in another department is eligible for a transfer, the employee shall apply for the transfer using the usual application process. The Department Head wishing to transfer an employee to a different department or classification shall make a recommendation to the Town Manager with the consent of the receiving Department Head. Any employee transferred without requesting the action may appeal the action in accordance with the grievance procedure outlined in this Policy. An employee who has successfully completed a probationary period may be transferred into the same job classification without serving another probationary period.



## **ARTICLE V. CONDITIONS OF EMPLOYMENT**

### **Section 1. Work Schedule**

The working hours for most Town administrative offices are 8:00 a.m. to 5:00 p.m., Monday through Friday. Departments that provide services to citizens on other schedules or on a 24-hour per day basis have different work schedules in order to effectively provide those services. Department Heads shall establish work schedules, with the approval of the Town Manager, which meet the operational needs of the department in the most cost effective manner possible.

### **Section 2. Political Activity**

Each employee has a civic responsibility to support good government by every available means and in every appropriate manner. Each employee may join or affiliate with civic organizations of a partisan or political nature, may attend political meetings, may advocate and support the principles or policies of civic or political organizations in accordance with the Constitution and laws of the State of North Carolina and in accordance with the Constitution and laws of the United States. However, no employee shall:

- 1) Engage in any political or partisan activity while on duty;
- 2) Use official authority of influence for the purpose of interfering with or affecting the result of a nomination or an election for office;
- 3) Be required as a duty of employment or as condition for employment, promotion or tenure of office to contribute funds for political or partisan purposes;
- 4) Coerce or compel contributions from another employee of the Town for political or partisan purposes;
- 5) Use any supplies or equipment of the Town for political or partisan purposes; or
- 6) Be a candidate for nomination or election to office under the Town Charter.

Any violation of this section shall subject the employee to disciplinary action including dismissal.

### **Section 3. Outside Employment**

The work of the Town shall have precedence over other occupational interests of employees. The Town understands that for various reasons employees may seek to hold

other jobs while continuing to work for the Town. Outside employment is prohibited when it would create a conflict of interest or interfere with the employees' ability to perform work for the Town in a satisfactory manner. Before an employee begins working at another outside position, he or she must obtain approval from the Department Head. The Department Head will review such requests for possible conflict of interest and then submit a record of the employment review to the employee's personnel file. Failure to obtain permission or accepting another position after permission has been denied, will be grounds for disciplinary action, up to and including termination. In addition, if an employee's outside position interferes with the employee's ability to work at the Town, the employee will be subject to discipline for poor performance or poor attendance in accordance with normal disciplinary policy.

Examples of conflicts of interest in outside employment *include but is not limited to*:

- 1) employment with organizations or in capacities that are regulated by the employee or employee's department; or,
- 2) employment with organizations or in capacities that negatively impact the employee's perceived integrity, neutrality, or reputation related to performance of the employee's Town duties.

Employees are prohibited from other employment while on a leave of absence (Workers' Compensation Leave, Family Medical Leave, etc.) from the Town.

#### **Section 4. Dual Employment**

A full or part-time employee of the Town may simultaneously hold another temporary position with the Town if the temporary position is in a different department and clearly different program area from that of the full or part-time position. The work of the temporary position must also be performed on an occasional or sporadic basis as identified in Fair Labor Standards Act regulations. However, the work of the full or part-time position shall take precedence over the temporary position, and such temporary work will not count toward the calculation of overtime for pay or time off.

#### **Section 5. Employment of Relatives**

The Town is committed to the highest standards of professional conduct and integrity and believes that familial relationships in the workplace can result in conflicts of interest, or an appearance of conflict of interest, and/or situations that might impair objective judgment or create a hostile work environment. Therefore, the Town prohibits the hiring and employment of relatives. The Town also prohibits the employment of any person who is a relative of individuals holding the following positions: Mayor, Mayor Pro Tempore, Town Council Member, or Town Attorney.

The definition of relatives for the purposes of this policy includes:

The employee's spouse, child, parent, grandparents, grandchild, sibling, aunt or uncle, first cousin, niece or nephew, step-relatives and in-laws in the same relationship;

This provision shall not apply retroactively to anyone employed when the provision was adopted by the Town.

## **Section 6. Harassment / Sexual Harassment Prohibited**

The Town of Holly Springs prohibits, and will not tolerate, sexual harassment or harassment on the basis of race, color, religion, gender, national origin, political affiliation, non-disqualifying disability, age, marital status or veteran status. Harassment complaints or allegations will be investigated promptly and where it is determined that such inappropriate conduct has occurred, we will act immediately to eliminate the conduct and impose such corrective action as is necessary, including disciplinary action up to and including dismissal.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when 1) submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Harassment, other than sexual, is verbal or physical conduct that denigrates or shows hostility or aversion towards an individual because of race, color, religion, gender, national origin, age, or disability, which has the purpose or effect of creating an intimidating, hostile, or offensive work environment or unreasonably interferes with an individual's work performance or otherwise adversely affects an individual's employment opportunities. Harassing conduct includes, but is not limited to, epithets, slurs, negative stereotyping, or threatening, intimidating, hostile acts. Written or graphic material which denigrates or indicates hostility or aversion toward an individual or group is prohibited from display on the employer's premises, or circulation in the workplace.

Any employee who feels harassed or who knows of or suspects the occurrence of forbidden harassment is responsible for informing the HR Director or the Town Manager in writing of the facts regarding such harassment so that management may promptly and thoroughly conduct an investigation. Supervisors and Department Heads who receive a harassment complaint are to contact the Human Resources Director immediately.

If an investigation confirms that unlawful harassment occurred, the Town will take immediate corrective action, including discipline up to and including immediate termination of employment of the harassing party as is appropriate. Employees making

complaints of sexual harassment are protected against retaliation from alleged harassers or other employees. Please refer to the Administrative Rules Manual for more detailed information on this policy.

### **Section 7. Solicitation and Acceptance of Gifts and Favors**

Town officials and employees shall abide by the Town's ethics policy which prohibits the solicitation and/or acceptance of gifts, favors, gratuities, discounts or price breaks, entertainment, or anything of monetary value from any person, organization or group with which he or she has official, enforcement or regulatory relationships that may tend to influence such employee in the discharge of the employee's duties, or grant in the discharge of duty an improper favor, service, or thing of value.

### **Section 8. Performance Evaluation**

Supervisors and/or Department Heads shall conduct Performance Evaluation conferences with each employee at least once a year. Procedures for the performance evaluation program shall be published by the Town Manager.

The Town's merit-based performance management system requires regular employees to receive a total score of at least "meeting expectations" on the performance evaluation in order to receive a merit increase. In the event an employee is rated "below expectations" overall, he/she will not be eligible for a merit increase or any cost-of-living adjustment awarded for the same calendar year. In this event, the supervisor shall develop a written Corrective Action Plan outlining performance deficiencies and measures to be taken to correct these deficiencies. A deadline for correcting these deficiencies shall also be set on or before the next performance review date. If the employee's performance does not improve to a satisfactory standard by the deadline date, salary increases will continue to be withheld and the supervisor will initiate such disciplinary action as deemed necessary.

### **Section 9. Safety**

Safety is the responsibility of both the Town and employees. It is the policy of the Town to establish a safe work environment for employees. The Town shall establish a safety program including policies and procedures regarding safety practices and precautions and training in safety methods. Department Heads and supervisors are responsible for ensuring the safe work procedures of all employees and providing necessary safety training programs. Employees shall follow the safety policies and procedures and attend safety-training programs as a condition of employment. Employees who violate such policies and procedures shall be subject to disciplinary action up to and including dismissal.

## **Section 10. Drug Free Work Place**

The Town is concerned with the safety of both employees and the public. As such, the Town provides a drug free workplace for all employees and conducts pre-employment, random, post-accident, and reasonable suspicion drug testing in addition to any required by law. The Town has established a detailed policy and procedure relating to employee substance abuse and drug testing in order to ensure the safety and well being of citizens and employees, and to comply with any state, federal, or other laws and regulations. Please refer to the Administrative Rules Manual for a detailed description of the Town's drug testing policy.

## **Section 11. Internet and Email Policy**

All electronic communication devices and sources used for Town business are the property of the Town and, as such, may be monitored, audited and reviewed for proper use. Employees shall not make any intentional use of the Internet, email or other electronic communications devices or sources that is illegal, malicious, inappropriate or obscene. An employee's access to the internet is a function of the business need of their position and is not a general employee benefit. Internet and computer access is governed by the Information Policy Administrative Rules Manual policies. Improper use of the Internet, Email and other Town electronic business devices or sources will subject the employee to disciplinary action up to and including termination of employment.

## **Section 12. Attendance**

The Town depends on employees to provide needed services every day. Regular attendance is mandatory and is part of the work standards for all jobs. Poor attendance can negatively affect performance evaluations or may lead to disciplinary action. Excessive absenteeism or a chronic attendance/tardiness problems can lead to disciplinary action up to and including termination.

The working hours for most Town administrative offices are 8:00 a.m. to 5:00 p.m., Monday through Friday. Departments that provide services to citizens on other schedules or on a 24-hour per day basis have different work schedules in order to effectively provide those services. Department Heads shall establish work schedules, with the approval of the Town Manager, which meet the operational needs of the department in the most cost effective manner possible.

All regular full-time employees, both non-exempt and exempt, are expected to work a 40-hour workweek. Hours worked in excess of a 40 hour workweek by an exempt employee is considered accomplishment of assigned accountabilities for which there is no additional compensation.

### **Section 13. Adverse Weather**

Adverse weather conditions occasionally disrupt work schedules and interfere with normal work-related activities. Regular employees are encouraged to report to work. However, the Town recognizes that factors such as transportation, school closings, and childcare arrangements are considerations. Non-required personnel are permitted to determine for themselves whether they can travel to and from work safely. Employees will be allowed to use accrued vacation leave, compensatory time or leave without pay for any lost time from work if they are unable to arrive to their designated work area or need to leave early.

In serious adverse weather, the Town Manager may close or open late to the general public in the interest of safety. The Town Manager will determine all decisions to delay or close the Town offices related to adverse weather or other emergency conditions. When the Town's schedule is altered, operational status will be available through news media outlets, Town email, Internet and normal supervisory channels. Employees whose presence is not required will not be docked leave or pay for regularly-scheduled work hours missed due to official closings or late openings. Employees who are not required by their departments to work during a Town closing but who do, in fact, work during the closed time frame will be paid only their regular rate for all hours worked.

Departments providing emergency and critical services 24 hours/day will remain open and employees will be required to work as usual. All law enforcement and emergency services personnel work hours will continue to be set at the discretion of the respective department head. There may be cases when department necessity may require that employees who had not been designated as emergency / critical must report to work (or remain at work) during an emergency situation (i.e. maintenance or snow removal) and will work such hours as needed. All employees required to work during adverse weather or emergency situation will be paid at their regular rate for all hours worked (or overtime when warranted). Failure to report to work when required may result in disciplinary action.

## **ARTICLE VI. EMPLOYEE BENEFITS**

### **Section 1. Eligibility**

As an integral part of a comprehensive, competitive compensation program, the Town offers a variety of benefits. Specific benefit programs will vary from time to time and the type, level, eligibility and cost of such programs are subject to change at any time at the sole discretion of the Town. To that end, the Town will periodically review each employee benefit and may, with or without notification, modify, delete or add benefits at its own discretion as may be deemed to be appropriate and necessary.

All regular full-time Town employees are eligible for employee benefits, subject to any waiting period. Regular part-time employees are eligible for pro-rated benefits based on the number of hours worked weekly as well as the stipulations in benefit contracts. Temporary employees are eligible only for workers' compensation and FICA. An employee must be in a "pay status" a minimum of 50% of the month in order to remain covered by insurance. Pay status means one is working or utilizing appropriate leave. Once an employee is in pay status for less than 50% of the month, he/she is responsible for paying the coverage.

The following employee benefits sections provide a brief summary and are not intended to be an all-inclusive benefits description. Please contact Human Resources for more detailed information regarding current benefits, eligibility, coverage and costs.

### **Section 2. Group Health and Hospitalization Insurance**

All regular full-time employees are eligible to purchase available group health insurance. The Town pays the full cost of the premium on individual coverage for all regular full-time employees unless otherwise noted. The Town pays a portion of the individual health insurance premium for regular part-time employees based on a pro-rated amount for the number of regularly scheduled hours worked. (Ex. – 75% for 30 hrs/wk). Employees may purchase coverage for their dependents and are responsible for paying the full cost of the additional coverage. Coverage begins the first day of the month following the date of employment. Information concerning cost and benefits shall be available to all employees from the Human Resources Department.

Under the Federal Consolidated Omnibus Budget and Reconciliation Act, or COBRA, employees are eligible to continue health insurance at group rates for up to 18 months after employment. The employee must pay 100% of the Town's cost of both individual and dependent health insurance as well as any administrative fee charged by the plan administrator.

### **Section 3. Group Life Insurance**

The Town provides group life insurance for regular full-time employees subject to the stipulations of the insurance contract. Coverage begins after a 30-day waiting period and is equivalent to two times the employee's annual salary rounded to the nearest \$1,000, subject to appropriation. The insurance includes Accidental Death & Dismemberment (AD&D) coverage paid by the Town.

### **Section 4. Dental Insurance**

The Town provides dental insurance to all regular full-time employees with the premium for the individual coverage paid by the Town. Employees may purchase coverage for their dependents and are responsible for paying the full cost of the additional coverage.

### **Section 5. Other Optional Group Insurance Plans**

The Town may make other group insurance plans available to employees upon authorization of the Town Manager or Town Council.

### **Section 6. Retirement**

The Town provides a retirement income plan for regular full-time and part-time employees under the North Carolina Local Governmental Employees' Retirement System. All regular employees assigned to work 20 or more hours per week (or more than 1,000 hours in any 12 month period) are required to participate as of the first day of employment. Currently, employees contribute 6% of salary (deducted from employees' paychecks) while the Town pays an amount determined annually by the Local Governmental Employees' Retirement System and as approved by the North Carolina General Assembly. The retirement plan is known as a "defined benefit plan" meaning that one can count on a guaranteed percentage of your income at retirement. The percentage will depend on your average final compensation, years of service, and the age at the time of drawing benefits.

After one year as a contributing member, active employees are covered by a death benefit equal to the highest 12 months of salary in a row during the 24 months before you die, but no less than \$25,000 and no more than \$50,000. This benefit is provided to your beneficiary if you die during employment or within 180 days of the last day for which you were paid salary. With five years of service, you are eligible for disability retirement if you become disabled. Sworn Law Enforcement Officers are eligible for a Line-of-Duty Disability benefit beginning on their first day of employment. Booklets are available in Human Resources which provide more information about retirement benefits



and information is available online at [www.nctreasurer.com](http://www.nctreasurer.com), the Retirement System's website.

## **Section 7. Health Insurance for Retired Employees**

Town of Holly Springs employees who retire from the Town service before the age of 65 and qualify for benefits under the provisions set forth in the North Carolina Local Government Employees' Retirement System may continue group health insurance coverage until they reach 65, based upon the following schedule:

Under fifteen (15) years of continuous service – group health insurance benefits available through COBRA for 18 months at the employee's expense.

Fifteen (15) years, but less than twenty (20) years of continuous service – group health insurance benefits available at the current premium rate to be paid for in full by the retiree.

Twenty (20) years, but less than twenty-five (25) years of continuous service – group health insurance benefits available at the full current premium rate to be paid 50% by the Town and the retiree will pay the remaining amount.

Twenty-five (25) years, but less than thirty (30) years of continuous service - group health insurance benefits available at the full current premium rate to be paid 75% by the Town and the retiree will pay the remaining amount.

Thirty (30) years or more of continuous service - group health insurance benefits available at the current premium rate to be paid 100% by the Town.

Retirees will be carried on the same insurance plan as active employees. Coverage will be available only to those dependents of the member covered on the day immediately preceding the date of retirement. Retirees will pay the full cost for the dependent coverage. A spouse or dependent who is still covered when you turn age sixty-five (65) or otherwise become entitled to Medicare, will be eligible to continue coverage for up to thirty-six (36) months under the COBRA law.

Insurance coverage will only be extended to retirees until they reach age 65 or until they are eligible to receive Medicare under Title XVIII (Medicare of the Social Security Act), whichever occurs first, or becoming gainfully employed by another employer and thus covered by other group insurance. At the time of their 65<sup>th</sup> birthday or Medicare eligibility, the coverage will be terminated and the Town will no longer be responsible for providing health insurance for the retiree.

If, after retirement, a retiree is re-employed by any employer in a capacity that they receive health insurance benefits, the Town will no longer be responsible for providing coverage. After insurance coverage is terminated, the Town is under no obligation to

renew the coverage. In addition, any retiree who fails to pay any applicable fees on or before the date due shall be terminated from coverage.

The provisions of this policy shall apply to all employees retiring after the adoption of this revised policy. The benefits provided under this section are not intended to be contractual in nature. The Town retains the right to modify these benefits, including amendments and termination, if it deems such modification to be necessary without prior notice.

### **Section 8. Supplemental Retirement Benefits**

The Town provides 401(k) benefits through the State's 401(k) program for its full and part-time employees in the amount of 5% of annual salary beginning on the first day of employment, subject to appropriation by the Town Council. Employees must work at least 20 hours per week and participate in the retirement system in order to be eligible for the 401(k) benefit program. Each law enforcement officer shall receive 401(k) benefits as prescribed by North Carolina State Law and beginning on the first day of employment.

### **Section 9. Social Security**

The Town, to the extent of its lawful authority and power, has extended Social Security benefits for its eligible employees and eligible groups and classes of such employees.

### **Section 10. Workers' Compensation**

All employees of the Town (full-time, part-time, and temporary) are covered by the North Carolina Workers' Compensation Act. Benefits are paid under this coverage if you have an eligible on-the-job injury or illness. The Workers' Compensation insurance pays for all necessary medical treatment, including hospitalization, doctor fees, and prescriptions.

Responsibility for claiming compensation under the Workers' Compensation Act is on the injured employee. All employees are required to report any injuries arising out of and in the course of employment to their supervisors immediately at the time of the injury in order that appropriate action may be taken at once. Employees must complete an Employee Accident/Injury Report Form and turn into his/her supervisor or Department Head to submit to Human Resources. The Human Resources Director will assist the employee in filing the claim. Under NC Workers' Compensation law, the Town has the right to direct medical care for employees who suffer work related injuries or illnesses. Employees may be directed to seek medical treatment for work related injuries from healthcare providers designated by the Town.

A disability of over seven calendar days is required before payment of Workers' Compensation salary benefits under the Workers' Compensation Act begin. An employee may use accrued sick or vacation leave during the first seven calendar day waiting period. If the work related disability exceeds seven calendar days, the employee will be placed on Workers' Compensation Leave which runs concurrently with Family Medical Leave. While out on workers' compensation leave of absence, vacation and sick leave do not accrue. During recovery from an accident, an employee may be able to work on light-duty assignments for all or part of the work day. Failure to report to a modified or light-duty assignment may result in disciplinary action and/or the workers' compensation salary supplement may be stopped.

If you are employed as a firefighter or a sworn police officer and you have an adverse medical reaction to an employment vaccination against smallpox or become infected with smallpox or with vaccinia, you will be treated as any other employee with a compensable occupational disease under the North Carolina Workers' Compensation Act.

### **Section 11. Unemployment Compensation**

In accordance with Public Law 94-566 and subsequent amendments, local governments are covered by unemployment insurance. Town employees who are terminated due to a reduction in force or released from Town service may apply for benefits through the local Division of Employment Security office, where a determination of eligibility will be made.

### **Section 12. Tuition Reimbursement Program**

Regular, full-time employees who have completed initial probation may apply for tuition reimbursement for courses taken on their own time through and accredited college or university, which will improve their skills for their current job or prepare them for promotional opportunities within the Town. Courses that are not job-related or are primarily avocational will not be approved. Therefore, reimbursement will be given on a course-by-course basis and not based on a general curriculum or educational program. Tuition, registration, fees, laboratory fees, and student fees are eligible expenses. Employees may be reimbursed eligible expenses up to a total of five hundred dollars (\$500) per fiscal year, subject to availability of funds, but no more than \$1,000 total during their employment with the Town. If tuition reimbursement requests exceed budgeted funds, disbursements will be made on a first-come, first-served basis. Satisfactory completion of the courses (*Grade "C" or better*) will be required for reimbursement. Requests for tuition reimbursement shall be submitted to the Department Head and require approval from the Human Resources Director and Town Manager prior to course registration.



### **Section 13. Flexible Spending Accounts (FSA)**

Full-time employees have the option of enrolling in the Dependent Care Reimbursement Plan, Medical Reimbursement Plan, or both. Contributions to either plan are made with pre-tax dollars through payroll deduction which will increase employee take-home pay. There will be an annual enrollment period in order to participate in the tax-savings plans.

### **Section 14. Wellness Benefits**

Regular employees of the Town are eligible to use the Gym and Exercise Facilities located at the Hunt Community Center at no cost. Other wellness benefits may be provided for Town employees.

### **Section 15. Employee Assistance Program**

The Town of Holly Springs recognizes that some personal problems require professional help and therefore provides a free, confidential Employee Assistance Program for Town employees and their family members. The services provided include assessment of personal problems that may be emotional, marital, family-related, financial, legal, drug or alcohol related, job stress, or any other issue that may cause concern. A counselor is on call 24 hours a day for immediate assistance. Short-term counseling and/or referral for extended or specialized help will follow, if necessary. Department Heads or supervisors may make appointments for employees when personal problems are adversely affecting job performance. They will then be told only whether or not the employee kept the appointment. Please contact your Department Head, Supervisor or Human Resources regarding contact information for the EAP provider. You may also confidentially locate the provider information under the Benefits link under the Human Resources Department at the Town's website.

### **Section 16. Effective Date of Benefit Changes**

Employees are given the opportunity annually during open enrollment to make changes in their medical plan, dental plan, voluntary benefits and/or flexible spending accounts. In addition, employees may add or remove dependents within 30 days following an IRS-defined "qualifying event". Qualifying events must be reported to Human Resources within 30 days of the occurrence.

### **Section 17. Law Enforcement Officers' Separation Allowance**

Each eligible sworn law enforcement officer, as defined by G.S. 128-21 (11b) or G.S. 143-166.50 (a) (3), of the Town who shall be and remain retired under the provisions of G.S. 128-27 (a) shall be eligible for a special separation allowance as provided by G.S.

143-166.42, equal to .85% of the annual equivalent of the base rate of compensation. The allowance shall be paid on the same frequency as the regular Town payroll cycle.

In order to qualify for the allowance, the officer shall:

- Have completed 30 years or more of creditable service or have attained 55 years of age and completed five (5) or more years of creditable service (as the term “creditable service” is defined in G.S. 143-166.4I(b); and
- Not yet have attained the age of 62; and
- Have completed at least 5 years of continuous service as a law enforcement officer as herein defined with the Town immediately preceding a service retirement.

The special separation allowance payments to a retired officer will cease at the first of (1) the death of the officer; (2) the officer attains 62 years of age; or (3) The first day of reemployment by a local government employer in any capacity. Notwithstanding the provisions of subdivision (3) of this subsection, a local government employer may employ retired officers in a public safety position in a capacity not requiring participation in the Local Governmental Employees' Retirement System, and doing so shall not cause payment to cease to those officers under the provisions of this section.

Any officer who is entitled to receive a special separation allowance from the Town shall, within ten (10) days of any change in his/her employment status, report the same to the Town Manager.

The governing body shall determine the eligibility of employees for the benefits provided herein.

## ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

### Section 1. Policy

The policy of the Town is to provide vacation leave, sick leave, and holiday leave to all regular full-time and part-time employees. Employees shall accrue leave proportionately with each payroll. An employee must be in “pay status” for a minimum of 50% of the pay period in order to accrue leave.

### Section 2. Holidays

The following days, and other such days as the Town Council may designate, are holidays with full pay for employees and officers of the Town:

New Year's Day  
Martin Luther King, Jr's Birthday  
Good Friday  
Memorial Day  
Independence Day

Labor Day  
Veterans Day  
Thanksgiving Thursday & Friday  
Christmas (see following schedule)

#### When Christmas Day falls on:

Sunday  
Monday  
Tuesday  
Wednesday  
Thursday  
Friday  
Saturday

#### The Town observes:

Friday and Monday  
Monday and Tuesday  
Monday, Tuesday, and Wednesday  
Tuesday, Wednesday, and Thursday  
Wednesday, Thursday, and Friday  
Thursday and Friday  
Friday and Monday

When any recognized holiday falls on Saturday, the preceding Friday will be the designated holiday. When any recognized holiday falls on Sunday, the following Monday will be the designated holiday.

Holidays are equivalent to 8 hours straight-time pay for all regular full-time employees regardless of their typical workweek schedule and are excluded from hours worked in calculating overtime. In order to receive a paid holiday, an employee must have worked the day before and the day after the holiday(s), or have been given approved leave. Fire and law enforcement employees whose work schedule differs from the standard Monday through Friday schedule, and who work greater than 8-hour shifts, will meet this requirement by working the “scheduled work shift” before and the “scheduled work shift” after the holiday or have been given approved leave.

**Section 3. Holidays: Effect on Other Types of Leave**

Recognized holidays that occur during a vacation, sick or other leave period of any employee shall not be considered as vacation, sick, or other leave.

**Section 4. Vacation/Personal Leave**

Vacation/Personal leave is intended to be used for rest and relaxation, school appointments, and other personal needs. Vacation/Personal leave accrues from the first day of employment with the accrual rate determined by the length of service. Vacation leave may also be used by employees who wish to observe religious holidays other than those granted by the Town. Employees who wish to use leave for religious observances must request leave from their respective Department Heads. The Department Head will attempt to arrange the work schedule so that an employee may be granted vacation leave for the religious observance. Vacation leave for religious observance may be denied only when granting the leave would create an undue hardship for the Town. Vacation leave shall be taken only with the prior approval of the employee’s Department Head.

**Section 5. Vacation/Personal Leave: Use by Probationary Employees**

Employees serving a probationary period following initial employment will accumulate vacation/personal leave but shall not be permitted to take vacation leave during the first six months of employment unless approved by the Department Head.

**Section 6. Vacation/Personal Leave: Accrual Rate**

Each full and part-time employee of the Town shall accrue vacation at the following schedule, prorated by the average number of hours in the workweek (Section 16):

<b>Years of Service</b>	<b>Yearly Accrual (Days)</b>
<b>0 but less than 2</b>	<b>10</b>
<b>2 but less than 5</b>	<b>12</b>
<b>5 but less than 10</b>	<b>15</b>
<b>10 but less than 15</b>	<b>18</b>
<b>15 but less than 20</b>	<b>20</b>
<b>20 or more</b>	<b>24</b>



### **Section 7. Vacation/Personal Leave: Maximum Accumulation**

Vacation leave may be accumulated without any applicable maximum until December 31 of each year. Effective the last payroll in the calendar year, any employee with more than 240 hours of accumulated vacation leave shall have the excess accumulation converted to sick leave so that only 240 hours are carried forward to January 1 of the next calendar year. Employees are not eligible to receive pay for excess vacation time not taken at this conversion time.

Employees are cautioned not to retain excess accumulated vacation leave until late in the year. Because of the necessity to keep all functions in operation, large numbers of employees cannot be granted vacation leave at any one time. If an employee has excess leave accumulation during the latter part of the year and is unable to take such leave because of staffing demands, the employee shall receive no special consideration either in having vacation leave scheduled or in receiving any exception to the maximum accumulation.

### **Section 8. Vacation/Personal Leave: Manner of Taking**

Employees shall be granted the use of earned vacation leave upon request in advance at those times designated by the Department Head which will least obstruct normal operations of the Town. Department Heads are responsible for insuring that approved vacation leave does not hinder the effectiveness of service delivery. Vacation leave may be taken in half-hour or 1 hour increments. Failure to request or take vacation leave without prior approval may result in disciplinary action. Notwithstanding the procedures described in this Article, employees will use accrued comp time before using accrued vacation leave.

### **Section 9. Vacation/Personal Leave: Payment upon Separation**

An employee who has successfully completed the probationary period will normally be paid for accumulated vacation leave upon separation not to exceed 30 days (240 hours), provided the employee provides a written two-week notice to their supervisor. Additionally, the employee must work each scheduled workday during the two-week notice period unless provided an exception by the Town Manager.

Any employee failing to give and work the two-week notice required by this section shall forfeit payment for accumulated leave. The notice and work requirement may be waived by the Town Manager when deemed to be in the best interest of the Town. Employees who are dismissed pursuant to Article IX, Section 5 of the Town Personnel Policy shall forfeit payment for accumulated vacation leave.

## **Section 10. Vacation/Personal Leave: Payment upon Death**

The estate of an employee who dies while employed by the Town shall be entitled to payment of all the accumulated vacation leave credited to the employee's account not to exceed the maximums established in this Article.

## **Section 11. Sick Leave**

Sick leave benefits are a privilege and not a right that an employee may demand. Sick leave may be granted to a probationary or regular employee absent from work for any of the following reasons: sickness, bodily injury, required physical or dental examinations or treatment, or exposure to a contagious disease, when continuing work might jeopardize the health of others. Sick leave is not intended to provide time off for recreation, personal reasons, or to extend vacations.

Sick leave may be used when an employee must care for a member of his or her immediate family who is ill. "Immediate family", for purpose of this policy, shall be defined as spouse, children (including step children), parent (including step parents), and /or sibling of the employee.

Sick leave runs concurrently with other types of leave including Family Medical Leave. Sick leave may be used during the initial 7-day waiting period before Workers' Compensation benefits begin.

Notification of the desire to take sick leave should be submitted to the employee's supervisor prior to the leave. If an employee is unable to report to work, the employee must notify their supervisor as soon as practical after the beginning of the regular scheduled workday. If the employee cannot call, the employee must have someone else call. If it is necessary for an employee to leave the work site because of illness, the employee must notify their supervisor before leaving. The employee is responsible for keeping their supervisor and/or Department Head informed on a regular basis of the status of the illness and when they expect to return to work. Department Heads may require that employees obtain a physician's statement describing the nature of illness and/or attesting to one's capacity to resume work duties. Failure to properly notify the supervisor and/or Department Head or provide necessary medical documentation may result in disciplinary action up to and including termination.

The Town has the discretion to send an employee home on sick leave if he/she exhibits signs of a serious contagious illness or to send the employee to a physician to obtain a fitness for duty note before returning to work.

## **Section 12. Sick Leave: Accrual Rate and Accumulation**

Sick leave shall accrue at a rate of one day per month of service or twelve days per year. Sick leave for full-time and part-time employees working other than the basic work schedule shall be pro-rated as described in this Article. Sick leave will be cumulative for an indefinite period of time and may be converted upon retirement for service credit consistent with the provisions of the North Carolina Local Government Employees' Retirement System.

All sick leave accumulated by an employee shall end and terminate without compensation when the employee resigns or is separated from the Town, except as stated for employees retiring or terminated due to reduction in force.

## **Section 13. Transfer of Sick Leave from Previous Employer**

The Town will accept initial sick leave balances up to (240 hours) from a previous employer when the previous employer is covered by the State or Local Government Retirement System and the employee did not withdraw accumulated contributions from that employer when leaving employment. The sick leave will be treated as though it were earned with the Town of Holly Springs. The sick leave amount must be certified by the previous employer and it is the employee's responsibility to provide documentation from their previous employer within three (3) months of employment. Transferred sick leave will be credited to the employee upon completion of the probationary period. Additional sick leave amounts over 240 hours may be credited to the employee's sick leave balance after 1 year of service with Town Manager approval.

## **Section 14. Sick Leave: Medical Certification**

The employee's supervisor or Department Head may require a physician's certificate stating the nature of the employee's or employee family member's illness and the employee's capacity to resume duties, for each occasion on which an employee uses sick leave or whenever the supervisor observes a "pattern of absenteeism." The employee may be required to submit to such medical examination or inquiry as the Department Head deems desirable. The Department Head shall be responsible for the application of this provision to the end that:

- 1) Employees shall not be on duty when they might endanger their health or the health of other employees; and
- 2) There will be no abuse of leave privileges.

Claiming sick leave under false pretense to obtain a day off with pay shall subject the employee to disciplinary action up to and including dismissal.

## **Section 15. Leave Pro-rated**

Holiday, vacation, and sick leave earned by full-time and part-time employees with fewer or greater hours than the basic work week shall be prorated and determined by the following formula:

- 1) The number of hours worked by such employees shall be divided by the number of hours in the basic workweek (usually 40 hours).
- 2) The proportion obtained in step 1 shall be multiplied by the number of hours of leave earned annually by employees working the basic workweek.
- 3) The number of hours in step 2 divided by 12 shall be the number of hours of leave earned monthly by the employees concerned, or divided by 26 shall be the number of hours of leave earned bi-weekly.

## **Section 16. Family and Medical Leave**

The Town of Holly Springs provides up to 12 weeks of job-protected leave in accordance with the Family and Medical Leave Act of 1993 (FMLA). Under the Family and Medical Leave Act of 1993, eligible employees may be granted up to a total of 12 weeks of unpaid leave per 12-month period, as determined below, for any of the following reasons:

- 1) For incapacity due to pregnancy, prenatal medical care or child birth;
- 2) To care for the employee's child after birth, or placement for adoption or foster care;
- 3) To care for employee's spouse, son or daughter (under age 18 or incapable of self-care due to disability) parent (in-laws not included), with a serious health condition, as defined by FMLA;
- 4) For a serious health condition, as defined by FMLA, that renders employee unable to perform the job.
- 5) For qualifying exigency arising out of the fact that the spouse, child, or parent of the employee is on active duty or called to active duty status in the National Guard or Reserves in support of a contingency operation.

### Service member Family Leave

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty and is receiving medical treatment, recuperating or undergoing therapy for a serious injury or illness. In contrast to all other FMLA leaves, service member family leave may be taken only once and does not again become available with the start of a new FMLA year. An employee may not take more than a combined total of 26 workweeks of leave in any year in which he or she uses service member family leave.

The same eligibility, leave usage, and medical certification requirements apply to service member family leave as apply to all other FMLA leaves.

#### Eligible employees

To qualify for FMLA coverage, the employee must have worked for the Town of Holly Springs 12 months or 52 weeks; these do not have to be consecutive. However, the employee must have worked 1,250 hours during the twelve month period immediately before the date when the FMLA time begins. Under the Uniformed Services Employment and Reemployment Act (USERRA) an employee ordered to active military duty is eligible for FMLA if the employee would have otherwise been qualified had it not been for the active military duty.

#### Leave

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. The request for the use of leave must be made in writing by the employee and approved by the Town Manager. The FMLA permits, and the Town of Holly Springs requires, that while utilizing FMLA leave employees exhaust all accrued paid sick leave first, then vacation leave, and lastly earned compensatory time before being granted unpaid leave. Additional time away from the job beyond the 12-week period may be approved in accordance with the Town's Leave Without Pay policy. Any use of sick leave beyond two weeks is required to be submitted as Family and Medical Leave. Family Medical Leave runs concurrently with other types of leave including sick leave/disability, voluntary shared leave, and worker's compensation. An employee ceases to earn leave credits on the date leave without pay begins. An employee is prohibited from moonlighting or performing other outside work during any kind of leave including FMLA leave.

#### 12-Month Period

For the purposes of determining available leave, the 12-month period during which employees may be eligible for leave will be calculated on a rolling leave year looking backward 12 months from the date an employee begins FMLA leave.

#### Medical Certification

The Town may require medical certification to assess FMLA eligibility, as well as updates at reasonable intervals for continued certification. Employees are responsible for paying for the certification or re-certification. The Town, at its own cost, may also require the employee to get a second or third opinion from a physician designated by the Town. Failure to provide adequate information within 15 calendar days, may result in denial of leave. The employee is expected to return to work at the end of the time frame stated in the medical certification, unless he/she has requested additional time in writing under the Town's Leave of Absence policy. The Town requires a physician's statement certifying an employee's ability to return to work prior to returning from medical leave. An employee who does not return to work within three working days after their FMLA expires will be considered to have voluntarily resigned their position.

### Spouse's Combined Leave

If a husband and wife both work for the Town and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (not parent-in-law) with a serious health condition, the husband and wife together may only take a total of 12 weeks leave during the 12-month period under FMLA. The request for the use of leave must be made in writing by the employee and approved by the Department Head or Town Manager.

### Benefits Continuation

The Town will continue to provide health care benefits during the 12-week FMLA leave entitlement, however, the employee will be responsible for paying his/her portion of the premium for dependent coverage if applicable. Other insurance and payroll deductions (i.e. dental, flex, etc.) are the responsibility of the employee and the employee must make those payments. Failure to pay premiums will result in loss of coverage. Under federal regulations, the Town has the right to recover the insurance premiums if the employee fails to return to work for reasons other than the inability of the employee to work.

### Reinstatement

Under most circumstances, employees who return to work immediately after the expiration of this leave and who do not exceed the amount of leave permitted under the FMLA, will be reinstated to either the same or equivalent job. If the twelve or twenty-six weeks of this leave are exhausted and the employee has not returned to work, the Town will determine if the employee will be reinstated.

## **Section 17. Leave Of Absence**

A regular full or part-time employee who has completed the probationary period may be granted a leave of absence typically for no more than six months by the Town Manager for various reasons including medical leave, sickness/disability of immediate family member, continuing of education, special work that will permit the Town to benefit by the experience gained or the work performed, or for other reasons deemed justified by the Town Manager.

Eligible employees will be required to exhaust their vacation leave, sick leave, and any accrued compensatory time prior to requesting leave without pay. The Town requires that all leave of absences qualifying for Family and Medical Leave run concurrently with the 12-week FMLA entitlement. No benefits are accrued during an unpaid leave of absence.

The employee shall apply in writing to their supervisor for leave no later than 30 days prior to the effective date of the leave. The 30-day notice may be waived when in the doctor's opinion the employee must leave their job earlier for medical reasons. The request should include the reason for leave, date expected for beginning leave, duration

of leave, and the expected date to return to work. The Town Manager approves any leave of absence request. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Town Manager. If the employee decides not to return to work, the supervisor shall be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested in writing and approved, shall be considered a voluntary resignation. The length of the leave will be determined by the circumstances surrounding the situation and each case will be considered on its own merit. However, leave of absences typically shall not exceed six months without Town Manager approval.

The Town cannot guarantee reinstatement to the employee's former position upon return from a leave of absence. However, every effort will be made to place an employee in their former position. Before being considered for a return to work after a medical leave of absence, employees must provide Human Resources with a physician's note stating that he/she is physically able to perform the job.

### **Section 18. Leave Without Pay**

Leave without pay is an administrative decision and may be granted by the Town Manager upon the recommendation of the Department Head and Human Resources Director. An employee must exhaust all applicable other leave before being placed on leave without pay status. An employee will not be permitted to rotate in and out of leave without pay status and paid leave status. While on leave without pay, an employee shall not accrue leave benefits. Under leave without pay status, employees are responsible for paying both the Town and employee contributions for premiums or benefit packages if they wish to maintain coverage, subject to any regulation by the Town Council and the regulations of the insurance carrier/benefit provider.

*(Exception: For leave without pay occurring under the 12-week FMLA entitlement, the Town's contributions to health insurance is maintained.)*

### **Section 19. Workers' Compensation Leave**

Under the North Carolina Workers' Compensation Act, employees may be compensated for absence from work due to injury or illness covered by the Act, subject to the following leave provisions:

- 1) There is a mandatory 7 calendar day waiting period before Workers' Compensation salary benefits begin. For this initial 7-day waiting period, employees may use sick leave, vacation leave, compensatory time, or leave without pay.
- 2) Beginning on the 8<sup>th</sup> calendar day following the injury or illness, employees who have not returned to work shall be placed in a Workers' Compensation Leave

Without Pay status. Accrued leave cannot be used while in Leave Without Pay status.

- 3) Employees receiving Workers' Compensation benefits will not accrue vacation leave, sick leave or paid holidays and their local government retirement and 401k benefits are not paid during this period. Employees will retain all accumulated sick and vacation leave.
- 4) An employee on Workers' Compensation leave may be permitted to continue to be eligible for benefits under the Town's group health insurance plan during the 12-week FMLA period. Employees may elect to continue health benefits by electing COBRA.
- 5) Upon reinstatement, an employee's salary will be computed on the basis of the last salary plus any salary increase to which the employee would have been entitled during the absence covered by Workers' Compensation benefits.
- 6) After returning to work, employees shall be required to use sick or vacation leave for any additional absences for doctor visits, physical therapy, and other required medical care except where any full or partial workday absence may be eligible for Workers' Compensation payment.
- 7) Any period of leave for a Workers' Compensation injury that qualifies as a "serious health condition" under the Family and Medical Leave Act (FMLA), will run concurrently with FMLA leave.
- 8) The Town of Holly Springs' personnel policies shall continue to apply to an employee on Workers' Compensation leave in the same manner as they would apply to an employee who continues to work, or is absent while on some other form of leave.
- 9) An employee is prohibited from moonlighting or performing other outside work during any kind of leave including workers' compensation leave.
- 10) The ability to return to work will be assessed individually and on a case by case basis. The Town will engage in an interactive process with the employee to carefully analyze whether accommodations requested are reasonable while not creating an undue hardship to the Town. If business necessity requires the Town to fill the position prior to the employee's return to work, the employee will receive priority consideration for qualified job openings for 6 months after their medical release to work.
- 11) Before an employee may return to work from a Workers' Compensation injury at full or light duty, the employee must provide a physician's note or Fitness for Duty certification to his/her supervisor indicating that he/she is released and capable of resuming duties, and what, if any restrictions are in place.



## **Section 20. Return to Work**

The Town of Holly Springs has an established light duty return-to-work policy. A light duty assignment is defined as a temporary work assignment within the employee's physical abilities, knowledge and skills which allows an employee to return to work performing different duties until the employee is able to return to his/her original position following an on-the-job injury. The light duty assignment temporarily addresses the restrictions placed on the employee by the treating physician. For work to be considered suitable light duty employment, the following conditions must be met:

- 1) The employee must meet the required qualifications for the light duty assignment,
- 2) The work must be a meaningful and productive part of the department's operations,
- 3) The work must conform to the medical restrictions set by the medical care provider, and
- 4) The light duty assignment and/or modified work schedule should not exceed ninety calendar days.

If the employee's regular department is unable to meet the employee's need for light duty, the employee's department is responsible for payment of the employee's salary and benefits while performing a light duty assignment in a different department that has been able to meet the employee's needs. The employee placed in a light duty assignment will be paid a salary that is equivalent to the salary of other employees holding the same position. The Town cannot guarantee placement and is under no obligation to offer or create any specific position for purposes of offering placement. Employees in a light duty assignment are expected to comply with Town policies and performance expectations as if they were working in their regular, full-time position.

An employee may choose to accept or refuse the Return to Work (modified duty) job offer. However, an employee who refuses a Light Duty offer is subject to termination. Rejection of the job offer might also result in cancellation of income benefits under Workers' Compensation Insurance.

If an employee is unable to return to work at full duty after 90 calendar days, he/she may request a continuation of light duty. Approval beyond 90 calendar days will be based upon the individual assessment of the employee's ability to return to full duty within the immediate future as well as business necessity. An employee requesting an extension beyond 90 calendar days must submit updated information from the treating physician. The Town reserves the right to consider a separation of employment for any employee who is out on Workers' Compensation leave for an extended period of time thus causing hardship for the department. The Town of Holly Springs will engage in the interactive process to determine whether a reasonable accommodation is possible for a qualified

individual with a disability to enable them to perform the essential functions of the job, unless doing so causes an undue hardship to the Town or a direct threat to employees or workplace safety.

## **Section 21. Military Leave**

In accordance with federal and state laws, the Town provides military leave to employees who are members of a United States Armed Forces Reserve organization or National Guard for absences to perform military duty, whether voluntary or involuntary. Absences to perform any military duty (including active duty, active duty training, inactive duty training such as scheduled drills and summer camp, full-time National Guard federal duty, fitness-for-duty examination, and funeral honors duty) are covered by this policy, unless the employee reaches the five-year maximum of military leave as established by the Uniformed Services Employment and Reemployment Rights Act (USERRA). This policy provides military leave to regular Town employees unless their employment is for a brief, non-recurrent period and there is no reasonable expectation that such employment will continue indefinitely or for a significant period.

Employees should submit a request for military leave to the supervisor or Department Head as soon in advance of the military duty as possible. The request should be in writing and should be accompanied by a copy of the military orders. Employees must report back to work as soon after military duty as possible, consistent with federal and state laws. If the reason for the employee's delay is not related to military duties, the employee is subject to the personnel policies and practices normally applied to employees with unexcused absences.

Employees may choose whether to use earned compensatory time, accrued vacation leave (leave with pay), leave without pay, or some combination thereof for these absences, and the provisions of that leave shall apply. Upon exhausting all other paid leave, employees may request to use sick leave, if approved by the Town Manager.

Regular employees choosing to use military leave may claim up to ten (10) days of differential pay per calendar year provided the days are recorded as military leave and the military basic pay is less than the employee's regular Town pay. To claim differential pay, the employee must submit a copy of his/her military orders, pay vouchers, Leave and Earnings Statement and/or other appropriate documentation evidencing performance and compensation pertinent to the military duty.

During the period of military leave, regular employees may continue health and dental insurance coverage up to eighteen months under COBRA coverage, provided they continue to pay their share of the premiums. As with any other unpaid leave, employees do not accrue vacation leave or sick leave during the period of leave without pay. However, the balance of such accruals on the date of commencement of the military leave will remain intact for the employee's return to work.

## **Section 22. Reinstatement Following Military Service**

Employees who are separated or discharged from military service under honorable conditions and who apply for reinstatement within the established time limits are reinstated to the same position or one of like status, seniority, and pay with the Town. If, during military service, an employee is disabled to the extent that the duties of the original position cannot be performed, the employee is reinstated to a position with duties compatible with the disability, if available. The employee's salary upon reinstatement is based on the salary rate just prior to leave, plus any general salary increase(s) implemented while on leave. The addition of a performance salary increase may be considered. Employees who are eligible for military leave have all job rights specified by the Uniformed Services Employment and Reemployment Rights Act (USERRA).

An employee's entitlement to the provisions of this section terminates upon the occurrence of any of the following events:

- 1) Such employee is separated from uniformed service with dishonorable or bad conduct discharge;
- 2) Such employee is separated from uniformed service under other than honorable conditions, as characterized pursuant to regulations prescribed by the Secretary concerned;
- 3) The Town's circumstances have so changed as to make such reemployment impossible or unreasonable; or
- 4) Such employee gives clear written notice s/he has no intention of returning to work.

## **Section 23. Civil Leave**

A Town employee called for jury duty or subpoenaed for the federal or state governments, or a subdivision thereof, shall receive leave with pay for such duty during the required absence without charge to accumulated leave. The employee may keep fees and travel allowances received for jury or witness duty in addition to regular compensation; except, that employees must turn over to the Town any witness fees or travel allowance awarded by that court for court appearances in connection with official duties. While on civil leave, benefits and leave shall accrue as though on regular duty. Employees required to be in court for their own case, defendant or plaintiff, must use vacation leave or compensatory time.

## **Section 24. Parental School Leave**

It is the belief of the Town that parent involvement is an essential component of school success and positive student outcomes. Therefore, a regular Town employee who is a parent, guardian, or person standing in loco parentis (in place of the parent) of a school-aged child may take up to eight hours of paid leave per calendar year to attend school

activities or otherwise be involved at that child's school. This leave is subject to the three following conditions:

- 1) The leave must be taken at a time mutually agreed upon by the employee and the Town; and,
- 2) The Town may require the employee to request the leave in writing at least 48 hours prior to the time of the desired leave; and,
- 3) The Town may require written verification from the child's school that the employee was involved at the school during the leave time.

Vacation time can be taken by an employee to attend school activities of his or her child for any time beyond the eight hours of parental school leave.

### **Section 25. Funeral Leave**

Up to three days paid leave is granted each calendar year for making funeral arrangements, traveling to, and attending the funerals of "Relatives" (as defined in Article V, Section 5). Funeral leave does not accumulate from year to year. Funeral leave must be approved prior to use. Any additional time off may be charged as vacation/personal leave or compensatory time, if available. Extra days are granted based on the needs of the employee and the department.

### **Section 26. Shared Leave**

Employees may donate vacation leave to qualified employees as shared leave. Shared leave allows a co-worker to continue to receive income when his/her sick leave is exhausted because of absence due to their own serious injury/illness or to care for spouse, child or parent with a serious injury/illness. The procedures for the shared leave program shall be established and approved by the Town Manager.

### **Section 27. Administrative Leave**

The Town Manager can approve certain types of Administrative Leave at his/her discretion. Administrative Leave is typically for volunteer opportunities such as donating blood, assisting with natural disasters, and other approved activities.

### **Section 28. No Moonlighting During Leave**

Employees are prohibited from working outside positions during any kind of leave from the Town (Workers' Compensation Leave, Family Medical Leave, etc.). Outside

employment during a period of leave can result in disciplinary action up to and including termination.

## **ARTICLE VIII. SEPARATION AND REINSTATEMENT**

### **Section 1. Types of Separations**

All separations of employees from positions in the service of the Town shall be designated as one of the following types and shall be accomplished in the manner indicated: Resignation, reduction in force, voluntary retirement, death or dismissal.

### **Section 2. Resignation**

An employee may resign by submitting the reasons for resignation and the effective date in writing to the immediate supervisor as far in advance as possible. In all instances, the minimum notice requirement is two weeks. Failure to provide minimum notice shall result in forfeit of payment for accumulated vacation leave unless the notice is waived upon recommendation of the Department Head and approval by the Town Manager.

Three consecutive days of absence without contacting the immediate supervisor or Department Head may be considered job abandonment, a voluntary resignation. Sick leave will only be approved during the final two weeks of a notice with a physician's certification or comparable documentation.

### **Section 3. Reduction in Force**

Reduction in force is the involuntary separation of an employee due to lack of work or funds, outsourcing of services, decreased workload or elimination of the employee's position due to reorganization. In the event that a reduction in force becomes necessary, consideration shall be given to the quality of each employee's performance, organizational needs, and seniority in determining those employees to be retained. Employees who are separated because of a reduction in force shall be given at least two weeks notice of the anticipated action. No regular employee shall be separated because of a reduction in force while there are temporary or probationary employees serving in the same class in the department, unless the regular employee is not willing to transfer to the position held by the temporary or probationary employee.

If a reduction in force occurs, the Town Manager has the discretion to offer severance pay up to the rate of one week of pay for each full year of continuous service to the Town, with a maximum payment of twenty (20) weeks. Severance pay does not apply to temporary employees and any employee who is separated from Town employment based on job misconduct or performance failure. The Town Manager is authorized to interpret and clarify any issues related to Reduction in Force and/or severance.

#### **Section 4. Voluntary Retirement**

An employee who meets the conditions set forth under the provision of the North Carolina Local Government Employee's Retirement System may elect to retire and receive all benefits earned under the retirement plan.

#### **Section 5. Death**

Separation shall be effective as of the date of death. All compensation due shall be paid to the estate of the employee.

#### **Section 6. Dismissal**

An employee may be dismissed in accordance with the provisions and procedures of Article IX.

#### **Section 7. Reinstatement**

An employee who is separated because of reduction in force may be reinstated within one year of the date of separation, upon recommendation of the Department Head, and upon approval of the Town Manager. An employee who is reinstated in this manner shall be credited with his or her previously accrued sick leave.

#### **Section 8. Rehiring**

An employee who resigns while in good standing may be rehired with the approval of the Town Manager and will be regarded as a new employee (vacation leave and service start over), subject to all of the provisions of rules and regulations of this Policy. If an employee is hired back into the same position within one year from the date of separation, the employee may be hired back at the previous salary rate, including any salary increases for which he/she would have been eligible as well as a reinstatement of accumulated sick leave. An employee in good standing who is separated due to a reduction in force shall be given the first opportunity to be rehired in the same or a similar position.

## **ARTICLE IX. DISCIPLINARY ACTIONS**

### **Section 1. Policy**

A non-probationary employee may be reprimanded, suspended, demoted or dismissed as provided below; however, nothing contained herein shall replace, change or modify the employment-at-will status as first stated in Article 1, Section 2 of these policies.

The Town generally administers a progressive disciplinary procedure in which discipline is administered in proportion to the degree of severity and frequency of unacceptable employee behavior. Progressive discipline is intended to allow the employee the opportunity to correct deficiencies in work behavior by clarifying and prescribing to the employee the appropriate behavior. All disciplinary actions are subject to the approval of the Town Manager.

Employees may be disciplined for improper personal conduct or unsatisfactory performance of job duties, as described in this Article. The Town may also discipline employees for performance problems and/or conduct not specifically identified in this Article.

Probationary employees who have not attained regular status and temporary employees may be dismissed immediately for unsatisfactory job performance or improper personal conduct violations. There is no right of appeal. Appropriate documentation of the dismissal will be included in the employee's personnel file.

### **Section 2. Procedure**

Whenever, in the supervisor's judgment, employee performance, attitude, work habits, or personal conduct falls below the acceptable level, the supervisor shall inform the employee promptly and specifically of such performance problem(s) and give counsel and assistance. A reasonable period of time for improvement may be allowed before initiating disciplinary action and is within the discretion of the supervisor.

The Town generally follows the principles of progressive discipline. However, the supervisor, in consultation with the Human Resources Director, may determine the appropriate level of discipline, separate and apart from the progressive discipline, taking into consideration the particular incident. Disciplinary actions will be recorded in the employee's personnel file.

Disciplinary action may consist of any of the following, not necessarily in this order:

- Written Warning
- Written Warning with Condition(s) of Continued Employment



- Suspension
- Demotion
- Dismissal

#### Written Warning(s)

A documented discussion of specific work-related concerns indicating unacceptable personal conduct or performance deficiencies will be made with corrective measures to be followed. The receipt of a written warning should be acknowledged in writing by the employee. If the employee refuses to properly acknowledge the receipt of any written warning, the supervisor issuing the written warning shall note the employee's refusal on the employee disciplinary report and have an additional supervisor sign the disciplinary report as a witness to the fact that the employee refused to sign the disciplinary report.

#### Written Warning with Condition(s) of Continued Employment

If an employee continues to perform his or her duties in an unsatisfactory manner, after the receipt of a written warning about deficiencies in the employees' work performance, or if the employee engages in improper personal conduct that involves a mitigating factor or a combination of mitigating factors deemed by management to warrant disciplinary action short of dismissal, the employee may be issued a written warning that contains conditions with which the employee must comply in order to maintain his or her employment with the Town. These conditions of employment may include, but are not limited to, performance requirements as well as a defined goal for the employee to attain in order to demonstrate that the employee is conducting him/herself in a manner that meets the expectations of the Town of Holly Springs.

**The issuance of a written warning by the Town to an employee is for the convenience of the Town and is not a precondition of an adverse employment action. An employee may have an adverse employment action (including but not limited to suspension, demotion or dismissal) taken against them without prior written warning by the Town.**

#### Suspension

If the behavioral infraction is extremely serious to the Town, other employees, or the public, the employee may be suspended without warning.

#### Demotion

An employee may also be demoted for unsatisfactory performance or for improper personal conduct without prior warnings (s). Before an employee is demoted for either reason, the Department Head shall submit a written summary of facts and circumstances

leading to the decision to the Human Resources Director for approval to proceed. The report should include previous disciplinary action taken, previous written warnings and other documents that support the decision.

### Dismissal

The Department Head recommending dismissal shall discuss the recommendation with the Human Resources Director. The supervisor shall schedule and conduct a meeting with the employee and the Human Resources Director. In the meeting, the supervisor shall provide the employee notice of the recommended dismissal, including specific reasons for the recommendation and summarize the information supporting that decision. The employee shall have an opportunity to respond to the recommended dismissal, to refute information supporting the dismissal action and to offer information or arguments to support his/her position. During this meeting with the Department Head, no outside parties may participate. The Human Resources Director shall transmit to the employee written notice of the dismissal.

### **Section 3. Non-Disciplinary Suspension**

During the investigation, hearing or trial of an employee on any criminal charge, or during an investigation related to alleged detrimental personal conduct, or during the course of any civil action involving an employee when suspension would, in the opinion of the Department Head, the Human Resources Director or Town Manager, be in the best interest of the Town, the employee may be suspended for part or all of the proceeding as a non-disciplinary action. In such cases, the Town Manager may temporarily relieve the employee of all duties and responsibilities and place the employee on unpaid or paid leave for the duration of the suspension. If the employee is reinstated following the suspension such employee shall not lose any compensation or benefits to which otherwise the employee would have been entitled had the suspension not occurred. If the employee is terminated following suspension, the employee shall not be eligible for any pay from the date of unpaid suspension.

### **Section 4. Rights of Appeal**

In the case of a demotion or dismissal, a regular employee can appeal to the Town manager in writing within seven (7) workdays following the effective date of the personnel action that is under appeal. The Town Manager, or designee, will review the written reports utilized by the Department Head to take the personnel action under appeal, and may request additional information and documentation to consider the appeal. The Town Manager may request meetings with the employee as well as others involved.

In deciding the issue on appeal, the Town Manager, or designee, may confirm or modify the recommendation of the Department Head and enter such order as the Town Manager may deem appropriate. The Town Manager's written decision shall be entered and

forwarded to the Department Head and the employee within ten (10) workdays from the date the written appeal was received. The decision entered by the Town Manager shall be final.

## **Section 5. Administrative Guidelines**

As mentioned above, the Town will determine the appropriate level of discipline for both unsatisfactory job performance and conduct issues. Examples of both unsatisfactory job performance and improper personal conduct which could result in discipline are listed below.

### **(A) Unsatisfactory Job Performance**

Unsatisfactory job performance occurs when an employee fails to meet job requirements or performance standards as established by the Department Head or Town Manager. This policy does not require that progressive warnings address the same type of unsatisfactory performance.

*The following list is illustrative, and is not an exhaustive or exclusive list, of the types of unsatisfactory job performance that may lead to the termination of an individual's employment with the Town:*

- (1) Inefficiency or incompetence or negligence in performing duties;
- (2) Poor manner of work performance;
- (3) Failure to produce work of acceptable quality, quantity or accuracy;
- (4) Physical or mental incapability for performing duties after reasonable accommodation;
- (5) Careless, negligent or improper use of Town property;
- (6) Failure to maintain satisfactory and harmonious working relationships with fellow employees and the public;
- (7) Habitual pattern of failure to report for duty at the assigned time and place;
- (8) Absence without approved leave;
- (9) Improper use of sick or other leave privileges;
- (10) Failure to complete work within time frames established;
- (11) Repeated or serious incident of unsafe behavior at work;
- (12) Failure to obtain or maintain current license or certificate required as a condition of the job;
- (13) Failure to wear or use appropriate safety equipment or otherwise to abide by safety rules;

- (14) A rating below expectations overall or on a principal function for at least two consecutive performance reviews (may be mid-year reviews) spanning at least six months with no improvement.

**(B) Improper Personal Conduct**

An employee who engages in a single act of improper personal conduct is subject to dismissal from employment with the Town of Holly Springs regardless of whether the employee has previously received a warning of any kind during his/her career with the Town.

*The following list is illustrative, and is not an exhaustive or exclusive list, of the types of improper personal conduct that will lead to the termination of an individual's employment with the Town:*

- (1) Conduct unbecoming a Town employee;
- (2) Fraud, theft or other illegal activities;
- (3) Conviction of a felony or the entry of a plea of nolo contendere thereto;
- (4) Willful misuse or gross negligence in the handling of Town funds or missing Town funds;
- (5) Personal use of Town equipment or supplies;
- (6) Falsifying records for personal profit, to grant special privileges or to obtain employment;
- (7) Engaging in any action that would in any way seriously disrupt or disturb the normal operations of the Town;
- (8) Willful acts that would endanger the lives or property of others;
- (9) Willfully damaging Town property;
- (10) Possessing unauthorized weapons, alcoholic beverages, or illegal substances while on the job;
- (11) Violence or other aggressive, threatening, intimidating, bullying or disruptive behaviors whether by means of communication devices or by means of physical visits to the grounds or home of the targeted individual, for the purpose of harassing an individual;
- (12) Insubordination;
- (13) Accepting gifts for "favors" or "influence";

- (14) Without proper authorization, disseminating or otherwise releasing in any manner information that is lawfully maintained by the Town as confidential information;
- (15) Professional misconduct;
- (16) Leaving the work area repeatedly for excessively long periods without proper authorization;
- (17) Willful violations of Federal/State law or regulations or Town policies;
- (18) Violation of the Town's policies prohibiting sexual harassment, unlawful discrimination, retaliation, workplace violence, and/or substance abuse;
- (19) Providing or maintaining false or improper records/documents;
- (20) Sleeping during work time;
- (21) Gambling during work time; and
- (22) Providing an untruthful statement or statements during an administrative investigation conducted by the Town and/or otherwise attempting to impede the ability of the Town to conduct an accurate and complete administrative investigation.

## **ARTICLE X. GRIEVANCE PROCEDURE**

### **Section 1. Policy**

The Town is committed to providing employees an effective and responsive grievance process. The purpose of this article is to outline the procedure and to assure all employees that a response to their complaints and grievances will be prompt and fair. Employees utilizing the grievance procedure shall not be subjected to retaliation or any form of harassment from supervisors or employees for exercising their rights under this policy. Supervisors or other employees who violate this policy shall be subject to disciplinary action up to and including dismissal from Town service.

### **Section 2. Grievance Defined**

A grievance is a claim or complaint by a current or a former employee based upon an event or condition within control of the Town, which adversely affects the circumstances under which an employee works, allegedly caused by misinterpretation, unfair application, or lack of established policy pertaining to employment conditions. An employee filing a grievance should be actually or potentially adversely affected by the condition or event being grieved. Performance appraisals, disciplinary demotions or terminations of employment fall under the grievance procedure.

### **Section 3. Purposes of the Grievance Procedure**

The purposes of the grievance procedure include, but are not limited to:

- 1) Providing employees with a procedure by which their complaints can be considered promptly, fairly, and without reprisal;
- 2) Encouraging employees to express themselves about the conditions of work that affect them as employees;
- 3) Promoting better understanding of policies, practices, and procedures that affect employees;
- 4) Increasing employees' confidence that personnel actions taken are in accordance with established, fair, and uniform policies and procedures; and
- 5) Increasing the sense of responsibility exercised by supervisors in dealing with their employees.
- 6) Encouraging conflicts to be resolved between employees and supervisors who must maintain an effective future working relationship, and therefore, encouraging conflicts to be resolved at the lowest level possible of the chain of command; and

- 7) Creating a work environment free of continuing conflicts, disagreements, and negative feelings about the Town or its leaders, thus freeing up employee motivation, productivity, and creativity.

#### **Section 4. Procedure**

When an employee has a grievance, the following successive steps are to be taken unless otherwise provided. The number of calendar days indicated for each step should be considered the maximum, unless otherwise provided, and every effort should be made to expedite the process. However, the time limits set forth may be extended by mutual consent. The last step initiated by an employee shall be considered to be the step at which the grievance is resolved.

**Informal Resolution.** Prior to the submission of a formal grievance, the employee and supervisor should meet to discuss the problem and seek to resolve it informally. This is to ensure that the supervisor knows about and has had the opportunity to consider and investigate the problem and to resolve the problem informally before the formal grievance process is initiated. Either the employee or the supervisor may involve the respective Department Head as a resource to help resolve the grievance. In addition, the employee or supervisor may request mediation from a local mediation service or other qualified parties to resolve the conflict, upon approval of the Human Resources Director. Mediation is the process where a neutral party assists the parties in conflict with identifying mutually agreeable solutions or understandings.

**Step 1.** If no resolution to the grievance is reached informally, the employee who wishes to pursue a grievance shall present the grievance to the Department Head in writing. The grievance must be presented within seven (7) calendar days of the event or within seven (7) calendar days of learning of the event or condition. The grievance should contain the following: the decision, action, or policy the employee does not agree with, on what basis the action is wrong or unfair, and the proposed resolution the employee is seeking.

The Department Head shall submit a written response to the employee within seven (7) calendar days after receipt of the grievance. The Department Head should, and is encouraged to, consult with any employee of the Town in order to reach a correct, impartial, fair and equitable determination or decision concerning the grievance. Any employee consulted by the Department Head is required to cooperate to the fullest extent possible.

The response from the Department Head for each step in the formal grievance process shall be in writing and signed. In addition, the employee shall sign a copy to acknowledge receipt thereof. The responder at each step shall send copies of the grievance and response to the Human Resources Director.

In cases involving discrimination or harassment, which may involve the immediate supervisor or Department Head, the employee may file the grievance with the Human Resources Director directly.

**Step 2.** If the grievance is not resolved to the satisfaction of the employee by the Department Head, the employee may appeal, in writing, to the Human Resources Director within seven (7) calendar days after receipt of the response from Step 1. The grievance should state why the employee disagrees with the Department Head's decision in the Step 1 as well as offer a suggested resolution to the problem. The Human Resources Director shall respond to the appeal in writing, stating the determination of decision within seven (7) calendar days after receipt of the appeal.

**Step 3.** If the grievance is not resolved to the satisfaction of the employee at the end of Step 2, the employee may appeal, in writing, to the Town Manager within seven (7) calendar days after receipt of the response from Step 2. The grievance should state why the employee disagrees with the Human Resources Director's decision in Step 2 as well as offer a suggested resolution to the problem. The Town Manager shall respond to the appeal in writing, stating the determination of decision within ten (10) calendar days after receipt of the appeal. The Town Manager's decision shall be the final decision. The Town Manager will notify the Town Council of any impending legal action.

Filing a lawsuit or seeking any other administrative remedy against the Town while you have a grievance on the same issue will end your appeals under the Town's grievance procedure.

**Department Heads.** In the case of Department Heads or other employees where the Town Manager has been significantly involved in determining disciplinary action, including dismissal, the Town may wish to obtain a neutral outside party to act as a mediator to assist in resolving the conflict.

## **Section 5. Role of the Human Resources Director**

Throughout the grievance procedure, the role of the Human Resources Director shall be as follows:

- 1) To advise parties (including employee, supervisors, and Town Manager) of their rights and responsibilities under this policy, including interpreting the grievance and other policies for consistency of application;
- 2) To be a clearinghouse for information and decisions in the matter including maintaining files of all grievance documents.
- 3) To give notices to parties concerning timetables of the process, etc;



- 4) To assist employees and supervisors in drafting statements; and
- 5) To facilitate the resolution of conflicts in the procedures or of the grievance at any step in the process; and
- 6) To help locate mediation or other resources as needed.

The Human Resources Director shall also determine whether or not additional time shall be allowed to either side in unusual circumstances if the parties cannot agree upon extensions when needed or indicated.

### **Section 6. Grievance Procedure for Discrimination**

When an employee, former employee, or applicant, believes that any employment action discriminates illegally (i.e., is based on race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, age marital status or veteran status) he or she has the right to appeal such action using the grievance procedure outlined in this Article (Section 4 above). While such persons are encouraged to use the grievance procedure, they shall also have the right to appeal directly to the Human Resources Director or Town Manager. An employee or applicant should appeal an alleged act of discrimination within thirty calendar days of the alleged discriminatory action, but may appeal for up to six months following the action. Nothing in this policy is intended to discourage or prevent an employee, former employee or applicant from filing a formal charge of discrimination or other illegal action with the appropriate state or federal agency having jurisdiction.

## **ARTICLE XI. RECORDS AND REPORTS**

### **Section 1. Public Information**

In compliance with GS 160A-168(b), the following information, with respect to each Town employee, is a matter of public record:

- 1) Name
- 2) Age
- 3) Date of original employment or appointment to the service
- 4) The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the Town has the written contract or a record of the oral contract in its possession
- 5) Current position
- 6) Title
- 7) Current salary
- 8) Date and amount of each increase or decrease in salary with that municipality
- 9) Date and type of each promotion, demotion, transfer, suspension, separation, or other change in position classification with that municipality
- 10) Date and general description of the reasons for each promotion with that municipality
- 11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the municipality. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the municipality setting forth the specific acts or omissions that are the basis of the dismissal
- 12) The office to which the employee is currently assigned

The term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the Town.

Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the Town may adopt.

### **Section 2. Access to Confidential Records**

All information contained in a Town employee's personnel file, other than the information mentioned above, is confidential and shall be open to inspection only in the following instances:

- 1) The employee or his/her duly authorized agent may examine all portions of his/her personnel file except letters of reference solicited prior to employment, and information concerning a medical disability, mental or physical, that a prudent physician would not divulge to the patient.

- 2) A licensed physician designated in writing by the employee may examine the employee's medical record.
- 3) A Town employee having supervisory authority over the employee may examine all material in the employee's personnel file.
- 4) By order of a court of competent jurisdiction, any person may examine all material in the employee's personnel file.
- 5) An official of an agency of the State or Federal Government, or any political subdivision of the State, may inspect any portion of a personnel file when such inspection is deemed by the Town Manager to be necessary and essential to the pursuit of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution of the employee, or for the purpose of assisting in an investigation of the employee's tax liability. However, the official having custody of the personnel records may release the name, address, and telephone number from a personnel file for the purpose of assisting in a criminal investigation.
- 6) An employee may sign a written release to be placed in his/her personnel file that permits the record custodian to provide, either in person, by telephone, or by mail, information specified in the release to prospective employers, educational institutions, or other persons specified in the release.
- 7) The Town Manager, with the concurrence of the Town Council, may inform any person of the employment, non-employment, promotion, demotion, suspension or other disciplinary action, reinstatement, transfer, or termination of a Town employee, and the reasons for that action. Before releasing that information, the Town Manager shall determine in writing that the release is essential to maintaining the level and quality of Town services. The written determination shall be retained in the Town Manager's office, is a record for public inspection, and shall become a part of the employee's personnel file.

### **Section 3. Personnel Actions**

The Human Resources Director, with the approval of the Town Manager, will prescribe necessary forms and reports for all personnel actions and will retain records necessary for the proper administration of the personnel system. There shall be one set of official personnel files, centrally located as designated by the Town Manager. Any document not located there is not an official part of that employee's personnel record. These files shall contain documents such as employment applications and related materials, records of personnel actions, documentation of employee warnings, disciplinary actions, performance evaluations, retirement and insurance records, letters of recommendation, and other personnel-related documents.

#### **Section 4. Records of Former Employees**

The provisions for access to records apply to former employees as they apply to present employees.

#### **Section 5. Remedies of Employees Objecting to Material in File**

An employee who objects to material in his/her file may place a statement in the file relating to the material considered to be inaccurate or misleading. The employee may seek removal of such material in accordance with established grievance procedures.

#### **Section 6. Penalties for Permitting Access to Confidential Records**

Section 160A-168 of the General Statutes provides that any public official or employee who knowingly and willfully permits any person to have access to any confidential information contained in an employee personnel file, except as expressly authorized by the designated custodian, is guilty of a misdemeanor and upon conviction shall be fined in an amount consistent with the General Statutes.

#### **Section 7. Examining and/or Copying Confidential Material without Authorization**

Section 160A-168 of the General Statutes of North Carolina provides that any person, not specifically authorized to have access to a personnel file designated as confidential, who shall knowingly and willfully examine in its official filing place, remove or copy any portion of a confidential personnel file shall be guilty of a misdemeanor and upon conviction shall be fined consistent with the General Statutes.

#### **Section 8. Destruction of Records Regulated**

No public official may destroy, sell, loan, or otherwise dispose of any public record, except in accordance with GS 121-5, without the consent of the State Department of Cultural Resources. Whoever unlawfully removes a public record from the office where it is usually kept, or whoever, alters, defaces, mutilates or destroys it will be guilty of a misdemeanor and upon conviction will be fined in an amount provided in GS 132-3.