

EMPLOYEE HANDBOOK

DOUGLAS-CHEROKEE
ECONOMIC AUTHORITY, Inc.

2013

This handbook summarizes the policies and practices of Douglas-Cherokee Economic Authority. It is not intended to cover everything, nor is it a contract of employment. From time to time changes may be needed, and Douglas-Cherokee Economic Authority reserves the right to make such changes, with or without notice to employees. Employment-at-will permits you or DCEA to end our relationship for any reason at any time. No policy, benefit or procedure implies or may be construed to imply this handbook to be an employment contract for any period of time.

Welcome!

This handbook has been prepared so that you may be better informed about policies, procedures, benefits, and other issues concerning your employment with Douglas-Cherokee Economic Authority. We appreciate the service of those of you who have3333 been with us for some time, and we welcome our new employees.

This manual contains information that will ensure the smooth operation of our agency and your well being as an employee here. Douglas-Cherokee Economic Authority reserves the right to delete, amend or modify these policies and practices at its sole discretion and without notice to employees.

All employees are expected to read and be familiar with the policies in this manual, and all those with authority to do so have a duty to administer these policies fairly and consistently and to enforce them when necessary. If you have questions about anything presented here, please see your supervisor for clarification/explanation or consult the Human Resources Director.

It is our hope that you will enjoy working with Douglas-Cherokee Economic Authority and that you will be able to advance steadily as you make yourself more valuable to the agency for our mutual benefit.

The policies and revisions in this handbook are effective immediately, May 9, 2013. All earlier policies are replaced by this version/edition. A current copy of Employee Handbook can be found at douglascherokee.org.

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SECTION 1 - INTRODUCTION

1.1 APPLICABILITY

Welcome to Douglas Cherokee Economic Authority!

This handbook is designed to acquaint you with Douglas Cherokee Economic Authority (or DCEA) and provide you with information about working conditions, employee benefits and some of the policies affecting your employment. You should read, understand and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by DCEA to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

This handbook is being made available to all Agency employees. Its purpose is to provide general guidelines about Agency policies and procedures for employees; however, it does not contain promises to any employee about how any particular situation will be handled. It is a guide to assist you in becoming familiar with some of the benefits and obligations of your employment. Employees may make suggestions for possible changes to the Handbook. Suggested changes will be considered, but it may not be possible to make all the changes that are presented. A form for suggesting changes is provided in the DCEA website under the Employee Page/Downloadable Documents/Employee Handbook Suggestions.

The contents of this handbook are presented for your information. Douglas-Cherokee Economic Authority reserves the right to revise, supplement, or rescind any policies or portion of the handbook, permanently or temporarily from time to time as it deems appropriate, in its sole and absolute discretion. Employment with DCEA is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, DCEA may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law. Policies set forth in this handbook are not intended to create a contract, nor are they construed to constitute contractual obligations of any kind or a contract of employment between DCEA and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at DCEA's sole discretion. These provisions supersede all existing policies and practices and this policy manual will generally not be amended or added to without the express written approval of the Executive Director.

Specific policies pertaining to employees within a particular program operated by the Agency will be maintained by the director of that program in the Procedures Manual.

1.2 MISSION of AGENCY

Mission Statement: The mission of Douglas-Cherokee Economic Authority is to effectively utilize available private and public resources (local, state and federal) to better understand and reduce local poverty in DCEA's service area by:

- Helping local communities increase their ability to coordinate programs to eliminate local poverty.
- Realigning available services so that these services are more effective and efficient in assisting individuals and families to overcome specific problems.
- Formulating innovative ways of using available resources to eliminate poverty.
- Involving the target population in the development and implementation of all programs operated by DCEA.

- Encouraging business, labor, and professional groups to take a more active role in providing services and employment to the poor.

1.3 AVAILABILITY of EMPLOYEE HANDBOOK

A copy of the Agency Employee Handbook will be made available to each employee and to each Board Member. A copy will be placed in the office of each program. Employees will be asked to sign a statement that they have read the policies and that the policies are understood and accessible to employees. The Handbook is also available on the Douglas Cherokee website at www.douglascherokee.org.

1.4 FLEXIBILITY REQUIRED DUE to PROGRAM VARIATIONS

Any questions concerning the policies contained herein will be decided by the Human Resources Director and the Executive Director of the Agency, who may consult with the Personnel Committee of the Board of Directors.

Exceptions to the Employee Handbook may be allowed on a program-by-program basis by arrangement with the Executive Director. Consideration of such exceptions will be made after the Program Director has submitted a written plan for program-specific policy to the Executive Director. All new provisions to DCEA manuals should be reviewed by all Program Directors to evaluate the impact of any changes on individual programs. The plan should address the following issues:

- The policy to be changed
- The reason a change is needed
- The proposed wording of the program-specific policy
- The expected impact of the program-specific policy.

Upon approval of a program-specific policy change, the Program Director will inform all affected central and program staff prior to implementing the change.

Programs may have DCEA employees who work in host locations such as school systems. Programs and employees must follow the established rules of the host locations. If the rules of the host locations are in direct conflict with DCEA regulations, the Program Director should work with the Executive Director to resolve any conflict.

1.5 CHIEF EXECUTIVE OFFICER of DCEA

The chief executive officer of Douglas Cherokee Economic Authority is the Executive Director. In his/her absence, the Fiscal Officer is authorized to function as Executive Director. If both the Executive Director and Fiscal Officer are absent, the Human Resources Director will be authorized to function as the chief executive officer for the purpose of handling problems or emergencies within the Agency. The Executive Director is the only person who has the authority to sign contracts or agreements which obligate or bind the Agency. The Executive Director has the authority to appoint a designee for any action requiring his/her approval.

1.6 NON-DISCRIMINATION in AGENCY OPERATIONS

DCEA offers equal employment opportunity without regard to race, color, religion, sex, family status, national origin, handicapped, genetic or veteran status, as required by federal, state and local laws, executive orders and regulations pertaining to fair employment practices. DCEA is also prepared to make reasonable accommodations to allow employment of handicapped individuals. This policy extends to recruitment, employment, promotion, DCEA-sponsored training programs, education opportunities, compensation, leave, tuition assistance, transfers, lay-offs, return from lay-offs, termination, social and recreational programs, use of Agency facilities, and treatment of individuals. No

exclusions will be made on the grounds of race, color, religion, sex, age, national origin, handicapped, family status, genetic or veteran status unless those exclusions are mandated by funding guidelines.

1.7 TITLE VI

Title VI of the Civil Rights Act prohibits discrimination in the delivery of services on the grounds of race, color or national origin. No person may be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program, activity, or benefit because of race, color, religion, sex, age, national origin, disability, family status or veteran status unless those exclusions are mandated by program service eligibility criteria.

No person shall be excluded because of their limited English proficiency, or their inability to speak English. It is the responsibility of the Agency to provide a translator. Persons with limited English proficiency must have meaningful access to all services for which they are eligible. The client eligibility guidelines of each funded program shall be strictly observed. All employees are required to comply with these policies.

1.8 IMMEDIATE FAMILY

For the purposes of DCEA operations, members of the immediate family are defined as:

Spouse	Child	Step-child
Parent	Sibling	Step-parent
Grandparent	Grandchild	Step-sibling
In-law (parent, child, sibling)		

If a funding source has a more restrictive definition of immediate family or nepotism, additional family members will be added, or deleted, to this list for the specific grant. The above definition of Immediate Family encompasses more than the Family and Medical Leave Act policy. FMLA leave will only be granted for the immediate family members as defined in the FMLA policy. Please refer to the FMLA policy (Section 8.11) for information concerning FMLA leave.

1.9 PROGRAM PROCEDURES MANUAL

Each DCEA program should maintain a Program Procedures Manual. That manual should detail the specific procedures followed to operate the program in addition to the Employee Handbook. The procedures in that manual should compliment the Employee Handbook and must comply with these policies. The procedures of particular programs will be considered extensions of the Employee Handbook and will govern the employees of that program.

Whenever possible, the Program Procedures Manual will be maintained in the Executive Office and by the Program Directors. Where possible, a copy will be maintained in each office where program staff is assigned. However, in those cases where it is not feasible to provide a copy at every site, the Manual will be kept in the Central Office and staff may review it there. Program Directors are responsible for explaining program procedures to new employees.

The Procedures Manual should contain:

- Budget Summary
- List of positions, job descriptions
- Work schedule
- Physical examination requirements, if applicable
- Staff orientation procedures
- Client eligibility criteria
- Record keeping/service documentation requirements

- Staff meeting schedule and purpose
- Mileage and per diem reimbursement procedure
- Procedure for requisitioning supplies
- Procedure to report absences and/or obtain leave authorization
- Tardiness policy
- Procedures for reporting accidents and filing insurance claims:
 - liability insurance, property (fire and theft) - contact Central Office at 423-587-4500, ext. 123
 - worker's compensation - contact Central Office at 423-587-4500, ext. 112
- Access to keys to doors, files, etc.
- Background check *and drug screen* requirements, if applicable
- Use of vehicles, if applicable
- Handling of cash

1.10 PROCEDURE for AMENDMENT

The Executive Director will review the Employee Handbook, or have it reviewed, as needed. The Executive Director will recommend necessary changes to the Personnel Committee of the Board of Directors. The Personnel Committee will consider the suggested changes and make a recommendation to the Head Start / Early Head Start Policy Council when the changes affect Head Start / Early Head Start, and the DCEA Board of Directors. Head Start / Early Head Start suggested changes will be made by the Program Director to the Executive Director. They will then be forwarded on to the Head Start / Early Head Start Policy Council and then to the DCEA Board of Directors. Necessary changes may also be initiated by the Personnel Committee and recommended to the Board.

The Board of Directors will approve or disapprove recommended amendments. The Board may make changes in the recommended amendments before giving approval. Amendments approved by the Board will be distributed to each program to be placed in all employee copies of the Employee Handbook. Program Directors are responsible for communicating these changes to all employees in their program.

1.11 RETENTION of RECORDS

The Agency will keep all personnel and financial records on file for at least eight (8) years. This includes files on trainees and participants. If the funding source requires that records be kept more than eight (8) years, those guidelines will be followed. Client files must be retained according to funding source requirements. Refer to Section 9.7 for policies concerning destruction of records.

1.12 WITHDRAWAL of SERVICES

Should situations necessitate the withdrawal of services from an area, appropriate notification must be provided prior to the termination of services, both to employees and to the community. This notification will inform the employees and the community of any services that are to be eliminated. It will be generated by the Program Director and approved by the Executive Director and the Board of Directors before publication. The notification should appear in the media the Agency deems most appropriate.

1.13 INTERAGENCY MEMORANDUMS / E-MAILS

A bulletin board will be provided in each DCEA office or center in a conspicuous place where its contents can be easily read by the staff. Interagency memorandums, e-mails, notices or letters affecting a substantial portion of the staff in that office or center will be posted on this board when received. These memorandums will concern such items as job vacancies, Agency policies, program guidelines, etc. Administrative staff members are responsible for circulating this information in writing to ensure and document that all applicable staff members have access to it. Memorandums or e-mails will also be forwarded to all Program Directors to be distributed to all Agency employees.

1.14 STAFF MEETINGS

Regular meetings of all employees working in each DCEA center, office or program should be held. These meetings will facilitate interagency communication through discussion of the progress of the Agency, concerns, ideas for improvement, and planned changes. The administrative staff is responsible for holding these meetings or seeing that they are held. Each employee should attend all applicable staff meetings except when their absence is approved by the appropriate administrative staff member

1.15 PROGRAM ADVISORY COMMITTEES

Many agency programs are required to have advisory committees and councils. A list of advisory committee and Policy Council members, and a schedule of meetings must be presented to the Board of Directors each year for approval.

SECTION 2 - EMPLOYEE STATUS AND BENEFITS ELIGIBILITY

2.1 CLASSIFICATIONS

All DCEA paid personnel will be classified in one of four categories: Exempt, Non-Exempt, Contractual or Program Participants. More information on the classification of exempt and non-exempt employees may be obtained from the Department of Labor.

- A. Exempt: Exempt positions include, but are not limited to: Executive Director, Fiscal Officer, Human Resources Director, Program Directors, Program Assistant Directors, Grant Planner and Head Start / Early Head Start Management Team.
- B. Non-Exempt: Non-exempt positions include all positions not classified as exempt above in 2.1A.
- C. Contractual: A consultant who provides services in a particular field, with or without compensation, on a written agreement with DCEA. The consultant is considered an independent contractor, not an employee of the Agency, and will not be entitled to any Agency benefits.
- D. Program Participants: Participants will follow the guidelines of the funding source. They are not eligible for benefits.

2.2 BENEFITS ELIGIBILITY

Employees are eligible for benefits based on their employment status. (All employees fall within one of seven categories.)

- A. Orientation Status: Orientation status is fully addressed in Section 4.
- B. Regular Full-Time Status: Employees who have completed their orientation period and who are scheduled to work a minimum of 30 hours per week are considered regular full-time employees and are eligible for full employee benefits.
- C. Regular Part-Time Status, Benefits Eligible: Employees who have completed their orientation period and who are scheduled to work less than 30 hours per week, are considered regular part-time employees. These employees are eligible for employee benefits as described in Section 8. However, Regular Part-Time employees hired after 1-1-06, must be scheduled to work a minimum of 12 hours per week to be eligible for benefits as described in Section 8.

- D. Regular Part-Time Status, Not Benefits Eligible: Employees who have completed their orientation period and who are scheduled to work less than 12 hours per week are not eligible for benefits.
- E. Temporaries, Substitutes, and Emergency Hires: Employees who are hired on an “as-needed” basis. They are not eligible for annual leave, sick leave, holidays or any program paid benefits. They are not subject to the Lay-Off option. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. Emergency hires and temporary employees may only work up to a maximum of 12 weeks. Program Participants are also a part of this category.
- F. Lay-Off Option: The use of the Lay-Off Option in any program is authorized by the Executive Director at the recommendation of the Program Director. Persons employed under this option will work for a specified time each program year and will be subject to lay-off for the period of time that their services are not needed or funds are not available. These employees may also be eligible for other benefits according to their employment status. If the program has funds available the Agency will continue to pay the employer's share of the insurance for those hired under the Lay-Off Option during the time the employee is laid off. The maximum amount of time an employee may be laid off under this option is 66 **working** days. After 66 working days, the lay-off will become permanent and the person will no longer be eligible for any benefits.
- G. Continuing On Call Status, Not Benefits Eligible: Employees who work on an as-needed, on call basis.

2.3 HIRE DATE

Any Agency employee who leaves Douglas-Cherokee employment for less than 66 working days will be eligible to be reinstated. The employee will retain their hire date and any remaining sick leave or annual leave. After the 66th working day, all previously available benefits will be lost. The only exception is on leave without pay (refer to Sec. 8.5). If an employee is called back to work and elects not to return, that position will be filled according to normal hiring procedures (refer to Sec. 8.3C).

A person who is hired as a temporary, substitute, emergency hire, or in any other position that does not have any benefits, who transfers, or is hired into a regular part- or full-time position which does have benefits, will receive a new hire date. The hire date will be the date they move into the benefit eligible part- or full-time position.

If an employee is laid off more than 66 working days, hiring and orientation procedures for new employees will be followed.

2.4 WORK WEEK

The work week will begin on Wednesday at 12:01 a.m. and end on Tuesday at midnight.

SECTION 3 - EMPLOYEE SELECTION AND HIRING

3.1 GENERAL INFORMATION

Applicants from within the Agency will be given special consideration for vacant positions based on their job performance and ability. Please refer to Section 3.6 for information regarding recruiting and job advertisements. Advertisements shall be placed in local newspapers. All interviewed candidates

who are not hired should receive a written notice informing them that they were not selected for the position. Letters should not be sent to applicants who are not interviewed, unless required by the funding source. Unsolicited applications do not need to be recognized in writing. All applications will be kept on file for 60 days. When none of the applicants meet the requirements of a position, the position will be reopened for applications and the process will start again with recruitment.

Douglas-Cherokee Economic Authority relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

The Personnel Action Form is used to record employee personnel changes such as job status, titles, and pay. A Personnel Action Form must be completed on each new employee by the administrative staff and signed by the appropriate staff members. The original is kept in the employee's personnel file.

Tests, which are applicable to a job, may be used if they are given to all persons considered. The test must be given in a manner that will not exclude any applicant in any protected class.

Any Agency employee who is laid-off for less than 66 working days will maintain all previously available benefits and will be eligible to be reinstated. All benefits will be frozen during the lay-off. After the 66th day, all previously available benefits will be lost. The only exception is with employees who are hired under the lay-off option (refer to Sec 2.2E). If an employee is called back to work and elects not to return, that position will be filled according to normal hiring procedures.

3.2 EMERGENCY HIRING PROCEDURES

An employee may be hired without following the regular advertising and interview procedures if:

1. A vacancy occurs suddenly and an employee is needed immediately, not allowing time for advertisement and interviews, or,
2. An employee is needed for twelve weeks or less, making advertisement and interviews not feasible.

An employee hired under this section cannot work more than twelve weeks. If the position is to extend beyond twelve weeks, the regular hiring procedure must be followed during the emergency employment. All employees hired under this section are classified as temporary.

3.3 PERSONS INELIGIBLE for EMPLOYMENT

An employee may not supervise a member of his/her immediate family. Immediate family members are defined in section 1.8. A person is ineligible to be employed in a position where the supervisor of that position is a member of his/her immediate family. A person is ineligible to be employed if he/she, or a member of his/her immediate family serves on the Board of Directors or on the Head Start / Early Head Start Policy Council.

3.4 IMMIGRATION LAW COMPLIANCE

Douglas-Cherokee Economic Authority is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present required documentation establishing identity and employment eligibility. DCEA participates in E-Verify.

3.5 HIRING the EXECUTIVE DIRECTOR

- A. Recruitment: The search process will be initiated by the Chairman of the Board of Directors who will appoint a Search Committee. The Search Committee will define the search process to be followed. Candidates for the position of Executive Director will be recruited from as wide an area as necessary to assure applications from qualified candidates. Recruitment should include advertising in news media and other appropriate outlets. Advertisements shall be placed in local newspapers for seven days.
- B. Selection: When qualified candidates have been found, the Search Committee will meet to screen the applications. The committee will select the three (3) best qualified candidates. Reference checks will be performed on these three and the Search Committee will then interview these candidates. Based on qualifications, references, and interviews, an order of priority for offering employment will be established by the Search Committee.

If Agency funding levels are such that Head Start funds comprise 50% or more of the indirect cost expenditures, the Search Committee should refer to Head Start IM ACYF-PI-HS-06-01 for requirements prior to making an offer.

After fulfilling any actions that might be required by the memo, the Committee's representative will then contact one of three candidates in order of priority. The offer of employment will be made contingent upon successful background check and acceptable proof of education.

- C. Hiring: When the candidate and the Search Committee agree on the terms of employment, the committee will recommend to the Board of Directors that the candidate be employed.

The person hired as Executive Director will receive a Letter of Understanding from the Board Chairperson. The Letter of Understanding will include:

1. The position for which the person is hired and the funding source;
2. The effective date of employment (the first day of work);
3. Salary;
4. The employee's supervisor;
5. A copy of the employee's job description;
6. This statement:
"Each DCEA employee has access to a copy of the Agency's Employee Handbook. This will be made available to you when you start work and should be read during the first two weeks of employment."
7. This statement:
"Any offer of employment will be made contingent upon a successful background check **and credit check**, as required, and acceptable proof of education, and the appropriate documentation required by the I-9 form.
8. This statement:
"As with all DCEA employees, your first six months, in this position will be your orientation period. Your job performance will be evaluated after six months to determine the feasibility and/or need for the position. These evaluations will show your strengths and weaknesses and are used as tools to help you perform your duties more efficiently. At the end of the orientation period, one of three employee actions will be recommended to the Board Chairperson by your supervisor: (1) transferal to regular status, (2) transferal to additional orientation period, or (3) dismissal. All employees, even those who transfer to regular status after their orientation period, are employees at will which permits you or DCEA to end the employment relationship for any reason at any time."

9. Any special conditions connected with the employment.

For the person to be employed, the Letter of Understanding must be signed and returned by the agreed upon date. If the agreement is not returned as specified, the position should be offered to the next candidate in line. If no other candidate is available, the position should be reopened for applications.

- D. Announcement: A news release with a photograph should be sent by the newly appointed Executive Director to all newspapers in the service area within two weeks of employment.

3.6 PROCESS FOR HIRING EMPLOYEES

This policy applies to all Agency programs. Head Start has additional processes for hiring. Please refer to Section 3.7. Upon the resignation of an employee or the creation of a new position, the Program Director / Supervisor will complete a Personnel Requisition, attach a job description, and forward it to the Human Resources Director, prior to advertising for the position. After approval by the Executive Director, the Human Resources Director (HR) will begin the process of advertising the open position.

Position announcements will be distributed within the Agency by email or hard copy to each Program Director, the Executive Director, and Fiscal Officer by the Administrative Operations Manager. It will then be the responsibility of each Program Director to distribute the information to their employees. Positions may also be advertised outside the Agency in the appropriate format at the same time.

Douglas Cherokee employees may be promoted/transferred to other positions upon the recommendation of the supervisor and/or Program Director subject to the approval of the Executive Director. If the position is not filled with a current DCEA employee, it should then be advertised through the news media. The Administrative Operations Manager will place all newspaper advertisements. Newspaper advertisements should run at least once. In some instances, where turnover in certain positions is high, it may be more economical to place a newspaper ad twice per year for those positions and pull from that applicant pool as the need arises. Field staff positions will be advertised in the county in which the person will be employed. Announcements should include duties, qualifications and deadline for applications, Equal Opportunity Employer statement, and to whom the applications should be sent.

Human Resources and the appropriate Director will work together to review all applicants and schedule interviews. The Program Director and/or other appropriate staff, as well as the Human Resources Director, if possible, will conduct final interviews. HR will conduct the reference checks on applicants. Following the interviews, an order of priority for offering employment will be established based on qualification, references, interviews and recommendations.

When hiring the Fiscal Officer, if Agency funding levels are such that Head Start funds comprise 50% or more of the indirect cost expenditures, the Director should refer to Head Start IM ACYF-PI-HS-06-01 for requirements prior to making an offer. After fulfilling any actions that might be required by the memo, steps below should be followed.

With the approval of the Executive Director, employment will be offered according to the order of priority. The person hired will receive a Letter of Understanding from the Executive Director. Supervisors should check with Human Resources for the appropriate letter for the new staff member. After the interviews, all applications, applicant rating sheets and documentation should be retained for three years from the date of receipt.

All applications and resumes received (both solicited and unsolicited) will remain active for 60 days. Any unsolicited resumes and applications received should be forwarded to the Human Resources Director.

The use of interns or other unpaid persons in Agency programs must be approved in advance by the Executive Director.

3.7 HEAD START / EARLY HEAD START STAFF

A. General: Promotion of existing Head Start / Early Head Start employees will receive priority when practical, as part of the Career Development Plan.

B. Promotion Transfer of Head Start / Early Head Start Field Staff:

Head Start / Early Head Start field staff may be promoted/transferred to other field staff positions upon recommendation of the component supervisor and/or Program Director subject to the approval of the Personnel Committee of Policy Council and the Executive Director.

Field Staff who have been laid off (See Sections 18.3) may be recalled at the discretion of the Head Start / Early Head Start Director and the Executive Director. This decision will be based on the need for the position and approval by the Policy Council.

Each Head Start / Early Head Start field staff member is required to have a physical exam and a TB screen when hired and every two (2) years while employed pursuant to the Performance Standard requirements.

C. Hiring the Head Start Director: The process for hiring employees will be followed when a Head Start Director is hired. After a candidate has been selected, the candidate will be presented to the full Board for approval. Once approved, the information will be presented to the Region IV Office of Head Start for approval. After this approval, an offer will be made to the selected candidate.

D. Hiring and Non-Administrative Staff: When other Head Start / Early Head Start staff are hired, the Personnel Committee of the Policy Council will meet with the staff (Section 3.8) for interviews and the group will agree on the priority list for employment. Employees will be hired contingent on approval of the Policy Council.

E. Substitutes: When an employee plans to be absent from work due to illness or annual leave, he/she is responsible for recruiting an approved substitute at the center while the employee is absent from work and report the planned absence and name of the substitute to the immediate supervisor and/or family service worker/county supervisor. This will be recorded on the absentee form and forwarded to Central Office at the end of each pay period. A list of approved substitutes will be established and maintained in each center.

In the event the teacher or bus driver is absent, the teacher assistant will assume the responsibilities of the absent person. The Family Service Worker/County Supervisor will not substitute in the classroom unless there is a dire emergency. FSW's must have approval from the Social Service or Health Coordinator before he/she substitutes in the classroom. Family Service Worker/County Supervisor will report their own absence to the Central Office. Substitutes may be hired for the extended and regular Head Start / Early Head Start classrooms. These individuals are on call to ensure staff coverage of the classrooms at all times. Substitutes are not regular staff and are considered as a fill in for absent staff.

- F. Temporary Staff: When extra duties arise that require an additional temporary person. The temporary person may be hired according to the definition in 2.2E, at the request of the Head Start / Early Head Start Director, if funds are available.
- G. Hiring During the Summer Months: During the summer months, the Personnel Committee will be composed of one parent from the respective county in which the position is being hired and appropriate Central Office staff. The group will agree on the priority list for employment. Employees will be hired contingent on approval of the Policy Council.

3.8 BACKGROUND CHECKS

Douglas-Cherokee conducts background checks for certain positions based on program requirements for the purpose of evaluating internal or external applicants for employment, promotion, reassignment or retention as an employee. Background checks will be performed for all positions which require employees to go into homes or work with children, youth or seniors, and for any grant programs which may require them. The background check should be conducted after a conditional offer of employment is made and the results must be received by the Agency prior to the new employee beginning work. The Agency reserves the right to conduct a background check on any employee or applicant. The Agency will pay for the first background check. However, if additional background checks are required, the employee must pay for the cost of them. These background checks may be conducted by a third party consumer reporting agency and may include, but not be limited to, information concerning criminal background, character, credit worthiness, education, employment history and personal references. Examples of other resources which may be checked, depending upon program and job requirements, may include but not be limited to, the Elderly and Vulnerable Abuse Registry, Sexual Offender Registry and the Felony Offender Registry.

The background check will be conducted after a conditional offer of employment has been extended. Although disqualification is possible, in accordance with federal and state laws, a previous conviction does not automatically disqualify an applicant from consideration for employment. Depending on a variety of factors, the candidate may still be eligible for employment with Douglas-Cherokee.

However, if an applicant attempts to withhold information or falsify information pertaining to previous convictions or background the employee will be disqualified from further employment consideration in any position with the Agency due to falsification of an application.

Douglas-Cherokee Economic Authority will ensure that all background checks are conducted in compliance with applicable federal and state statutes, such as the Fair Credit Reporting Act.

3.9 MOTOR VEHICLE CHECKS

Effective January 1, 2010, Motor Vehicle Record checks will be performed on all employees who drive Agency owned vehicles. MVR checks will be conducted on new employees who will be driving Agency owned vehicles after an offer of employment has been made. After the initial check, rechecks will be conducted every three years for employees who have driving responsibilities.

Only Agency employees may drive Agency owned vehicles. The vehicles may be used only for appropriate program use. Refer to Sec. 9.19 for additional requirements for employees who drive Agency owned vehicles.

3.10 EMPLOYEE REFERENCES

No one is eligible to give a work-related reference except the Human Resources Director or the Head Start Personnel Manager. Work references will only confirm employment dates, job title and full-time or part-time status. If someone is contacted for a reference they should insure that the contact

understands that they are giving a personal reference and not speaking on behalf of Douglas-Cherokee Economic Authority, Inc.

SECTION 4 - ORIENTATION

This policy applies to all employees of Douglas-Cherokee Economic Authority (DCEA). The first six months of employment with DCEA constitute an orientation period, during which certain benefits will not be available to employees. During the orientation period, employees should be given feedback from their supervisor in order to provide a continuous assessment of their performance in the new position.

All new, rehired and promoted employees work on an orientation basis for the first six months after their date of hire or promotion. Employees who are promoted within DCEA must complete a secondary orientation period of the same length with each reassignment to a new position. Absences (other than FMLA) may extend the orientation period subject to the discretion of the Program Director. If DCEA determines that the designated orientation period does not allow sufficient time to thoroughly evaluate an employee's performance, the orientation period may be extended for a specific period.

Beginning May 1, 2011, all new employees hired on or after that date must be in paid status for a total of six months (or 130 working days) to complete their orientation period. An employee who is absent (not in paid status) during their orientation period will have their orientation period extended. Employees who are hired under the lay-off option and are laid off prior to completing the orientation period, will complete their orientation period when they return from the lay-off.

In cases of promotions, an employee who, in the sole judgment of management, is not successful in the new position can be removed from that position at any time during the orientation period. In this event, management will attempt to return the employee to his or her former position or to a comparable job for which the employee is qualified, depending on the availability of such positions and the needs of the organization, at the sole discretion of management.

All employees must understand that their employment is for no definite period of time and that, just as you may terminate your employment at any time without notice or cause, so too may the agency terminate your employment at any time without notice or cause. This remains true even after successful completion of an orientation period.

In consideration of your employment, you agree to conform to DCEA rules and regulations, and you understand that no representative or agent of DCEA, with exception of the Executive Director, has any authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to this policy. Any agreement for employment for a specified time must be in writing and must be signed by the employee and by the Executive Director of DCEA. **In no fashion does this guideline, handbook, or anything else presented to you in written or verbal form serve as a guarantee (promised or implied) of future employment.**

The supervisor will evaluate each new employee after three months and again at the end of the six-month orientation period. At the end of the employee's orientation period, the supervisor should complete a Personnel Action Form (PAF). The Executive Director will take one of the following actions, based on the recommendation of the Program Director and other applicable supervisory personnel, and the action will be recorded on the written evaluation and on the Personnel Action Form:

1. Transfer to regular status
2. Continuation of the orientation period for no more than three (3) months

3. Dismissal

4.1 ALLOWANCES DURING ORIENTATION / DISCIPLINARY PROBATION

- A. All employees on Orientation or Disciplinary Probation will be allowed days off due to illness as explained in Section 8.6.
- B. All employees on Orientation or Disciplinary Probation will accumulate annual leave, as explained in Section 8.3.
- C. An employee may take accumulated annual leave during orientation only if that person has been employed by DCEA for more than six (6) months and if the Program Director and/or applicable supervisor(s) determine that the employee's absence would not be detrimental to the agency.
- D. During the orientation period, employees may not receive cost-of-living salary increases as described in Section 7 until they have completed their orientation period. This does not apply to employees who are in an orientation period due to a promotion/transfer.
- E. Employees who are on Disciplinary Probation will have access to the Complaint Procedure (see Section 12). Employees who have not completed their orientation period but have been employed more than six (6) months will have access to this procedure.

4.2 RESTRICTIONS DURING ORIENTATION / DISCIPLINARY PROBATION

- A. An employee whose employment ends for any reason during an initial orientation period will not be paid for any accumulated annual leave.
- B. No employee will be allowed to take annual leave during the first six (6) months of employment with DCEA, or while on Disciplinary Probation.
- C. No salary increases, including cost of living adjustments, are allowed during the first six (6) months with the Agency, or while on Disciplinary Probation.

4.3 ORIENTATION ITEMS

An employee's first days in a job should be spent in orientation. The orientation schedule should be arranged by administrative staff and may include conferences with other staff members, meetings, and visits to county offices/centers and community resources. The following items should be included in each employee's orientation:

1. Signing the Letter of Understanding, if not done previously.
2. The employee's job description and classification.
3. Terms of the employment, as outlined in the Letter of Understanding.
4. Reading and discussing the Employee Handbook and the Program Procedures Manual, and signing the statement acknowledging reading the Handbook.
5. Explanation of the structure and activities of all parts of the agency.
6. Explanation of the fringe benefits, including requesting or waiving group health insurance, COBRA benefits and other offered benefits.
7. Explanation of the preliminary orientation period.
8. Explanation of performance evaluations, including the form used for the new employee's position.
9. Time and attendance reports, Employee Web Service (EWS) entry and leave requests.
10. Mileage reimbursement
11. Request for out-of-area travel.
12. Reimbursement for travel expenses.
13. Purchase requisitions.
14. Eligibility guidelines.
15. In-kind contribution forms.
16. Personnel Action form.
17. Completing W-4 form.

18. Person conducting orientation will physically look at employee's social security card to compare the name and number with that on the W-4 form.
19. Specific program information applicable to the new employee.
20. Designated supervisor will place any documents required in Section 5 in the personnel file.
21. Complete Form I-9.
22. Harassment policy.
23. Hatch Act
24. Title VI & HIPPA Training
28. Code of Conduct

SECTION 5 - PERSONNEL RECORDS

5.1 PERSONNEL ACTION FORMS

A Personnel Action Form (PAF) must be completed for any action involving a change in the employee's status, position, classification, wage, cost center/distribution codes, work hours, etc. This action form must be completed and signed by the Program Director and approved by the Head Start Personnel Manager (for Head Start / Early Head Start employees), the Human Resources Director and Executive Director before the action is effective. The original copy of the PAF will be retained in the employee's personnel file. PAFs are to be generated by the program staff. In some instances, employees may be asked to sign PAFs as well.

5.2 PERSONNEL FILES

Comprehensive personnel files will be kept for each employee on all personnel actions involving the employee. Because of the sensitive nature of some information in personnel files, they will be maintained in the Central Office. These cabinets will be securely locked during non-duty hours or when unattended. Personnel files will include, but not be limited to the following:

- A. Application for employment
- B. Personnel Action Forms (original)
- C. Signed Letter of Understanding
- D. Job description
- E. Signed form that the employee has access to and has read and understands DCEA's Employee Handbook
- F. Reference checks
- G. Employee evaluations
- H. Warnings
- I. Reprimands
- J. Any employee forms required for a particular program, background check forms if required
- K. Form I-9
- L. Signed alcohol and drug policy
- M. Proof of education
- N. Signed copies of the Code of Conduct
- O. Signed verification of Title 6 & HIPPA training

5.3 ACCOUNTING FILES

Employee records needed for supporting documentation for accounting records will be maintained in accounting while the program is in operation. These records include, but are not limited to time and attendance sheets, payroll records, PAF (copy), mileage and per diem sheets, and cumulative leave records.

SECTION 6 - WORKING HOURS

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules and record the scheduled hours per week on the employee's Personnel Action Form. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week. The Program Director must approve any changes in work schedules in advance. The Executive Director must approve any permanent schedules other than the normal 8:00 a.m. to 4:30 p.m.

6.1 NORMAL WORKING HOURS

Centers and offices should be open from 8:00 a.m. to 4:30 p.m. Monday through Friday. The Program Director may approve schedule changes for up to five days and must notify the Executive Director by email. Office schedule changes of more than five consecutive days must be approved by the Executive Director. Justification for schedules submitted should accompany the requests.

For a person working a full 7.5-hour day, a one-hour lunch period is included. Each employee is expected to utilize the hour lunch break unless specifically approved by their supervisor to follow a different schedule. Each employee who is scheduled to work six (6) consecutive hours, must have a minimum of a thirty (30) minute unpaid rest break or meal period within that six (6) hours.

Lunch periods and breaks will be scheduled to maintain coverage of centers and offices. During the lunch period, employees will be relieved of all active responsibilities and restrictions. For a normal 8:00 a.m.- 4:30 p.m. day, the lunch period should begin no earlier than 10:30 a.m. and end no later than 2:00 p.m.. The lunch break must be within six hours of beginning or ending work and cannot be taken during the first hour of scheduled work. Should circumstances necessitate closing an office for lunch, lunch closing times must be prominently posted. When used in this Employee Handbook, the term "working days" means any Monday through Friday during a particular time period.

6.2 SIGN-IN / OUT PROCEDURE

Accurately recording time worked is the responsibility of every employee. Federal and state laws and funding sources require DCEA to keep an accurate record of time worked.

Sign-in/out logs should still be used to reflect when employees are in or out of the building for safety purposes. Employees should sign in when entering the building and sign out when leaving the building. It is understood that the logs do not reflect the actual work time. All Sign-In/Out Logs will be kept on file in the Central Office as designated by the Fiscal Officer.

Most employees will record their time in the Employee Web Service (EWS). Employees should record when they begin and end work, record their lunch break and any other leave time. Those who do not have access to a computer, will record their time on paper time sheets.

All scheduled time must be accounted for. Any time that will be unpaid will be leave without pay and must be approved in advance by the supervisor and Program Director.

6.3 HOURS for EXEMPT PERSONNEL

The normal work schedule is 8:00 a.m. – 4:30 p.m. Exempt employees are generally expected to work the hours the office is open. (See Section 6.1) The actual time worked each day will be recorded in EWS. The time worked should average 7.5 hours per day for employees hired

for 37.5 hours/week. It is expected that most hours will be worked between the hours of 7:00 a.m. and 5:30 p.m. on Monday through Friday. Any recurring differences from this schedule require advance approval from the Executive Director.

Exempt employees are classified by the Fair Labor Standards Act as being exempt from overtime provisions governed by the Act. Exempt staff members are hired on a salaried basis and are expected to work the necessary hours to successfully perform the duties in their position. Many times this may require working more than the normal hours, however an exempt employee will only be compensated at the agreed upon salary regardless of the number of hours worked. Since exempt employees may be required to work additional hours some weeks in order to perform the duties of their position, they are given flexibility to adjust their work schedules and need not take leave for absences from work of less than two (2) hours. Appropriate notification to supervisor is required. If flexibility is used, hours worked for the year are expected to average at least 37.5 hours per week. Absences of more than two (2) hours on a given day will require appropriate leave to be taken for the full time absent from work on that day.

Supervisors will be responsible for monitoring the work schedule of exempt personnel. In no instance is an exempt employee to assume that they may take an hour off for every hour worked over 37.5 hours per week. Exempt employees will not be paid overtime.

If an exempt employee feels that circumstances warrant deviation from this policy, these circumstances must be submitted, reviewed and acceptable plan for revised work hours must be approved by the Executive Director before implemented.

Hours worked at home are not counted as work hours for exempt employees unless specifically approved in advance by the Executive Director.

6.4 HOURS for NON-EXEMPT PERSONNEL

Any hours worked in excess of 37.5 hours per week and/or any changes to the normal (8:00 a.m. – 4:30 p.m.) work schedule, must be approved in advance by the direct supervisor. Changes to the employee's normal work schedule for those who work 37.5 hours per week, or less, must be approved in advance by the direct supervisor. Changes of more than five days must be approved by the Executive Director. All programs must also have the approval of the Executive Director for any hours worked over 40 in a work week. Head Start / Early Head Start employees should refer to the Head Start / Early Head Start Policy Manual.

Overtime at time and one half will be paid for all hours worked in excess of 40 hours per week. Paid hours for holiday, sick leave and annual leave do not constitute work hours and will not be counted in the calculation of overtime hours.

Employees must have prior written approval from their direct supervisor, their Program Director and the Executive Director to perform work at home. Employees should not take work home without the knowledge and approval of these listed above.

6.5 WORKING HOURS WHILE TRAVELING FOR NON-EXEMPT EMPLOYEES

For out-of-town trips or meetings during hours other than regular office hours, the following guidelines will be used to calculate working time for non-exempt employees:

1. Travel time and time spent in meetings will be counted as working time.
2. Time not included within the meeting hours and when not traveling is considered non-working time.

EXAMPLE: One-day trip to Nashville, leaving 6:00 a.m. and returning 9:00 p.m.

Work Time: 7.5 hours (8:00 -4:30)
 + 2.0 hours (6:00 -8:00)
 + 4.5 hours (4:30 -9:00)
 = 14.0 hours

EXAMPLE: Trip on Monday, leaving Sunday at 2:00 p.m. and driving four hours:

Sunday Work Time: 4 hours

6.6 UNFORESEEN ABSENCES

If an employee will not be at work due to unforeseen circumstances, the immediate supervisor must be notified as soon as possible. That employee should also inform the supervisor of the approximate time of their return to work. Annual leave, sick leave or leave-without-pay may be allowed for these absences at the discretion of the administrative staff. Please refer to the Section 8 for absences concerning the Family and Medical Leave Act.

6.7 TARDINESS

To maintain a productive and safe work environment, DCEA expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on DCEA programs. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence. Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

6.8 ABSENCE DUE to INCLEMENT WEATHER

Non-Exempt Employees:

- A. Head Start / Early Head Start Field Staff: During inclement weather, Head Start / Early Head Start classrooms will be closed when public schools in that county are closed.
- B. Senior Nutrition Sites: The Program Director and the Senior Services Coordinator will determine which sites, and/or routes, will be open during inclement weather and will contact staff. This will be done on a county by county basis according to weather conditions.
- C. Talent Search, Upward Bound, EOC and all DHS-funded programs will follow the guidelines set forth in their procedures manual.

- D. Other Employees: If other non-exempt employees are unable to work because of inclement weather (such as snow), they will be granted annual leave, if available, or leave without pay, if annual leave is not available.

The Executive Director may determine that offices will close early due to inclement weather and may send all employees present home without requiring leave to be taken. Employees who choose not to come to work, or to leave work prior to the decision being made, must take appropriate leave.

If DHS is closed due to inclement weather, then DCEA offices will also be closed in the same counties that DHS is closed. Employees in those counties will not need to take leave.

Exempt employees:

When the agency closes for a full day due to inclement weather, or if the agency opens and later closes due to inclement weather, exempt employees will be paid for any time the Agency is closed. In all other situations, the policies above will apply.

6.9 OTHER CLOSINGS

Other closings of the agency by the Executive Director will refer to Section 6.8.

SECTION 7 - EMPLOYEE COMPENSATION

7.1 RATE of COMPENSATION

Employees will be paid at a rate no lower than the prevailing Federal Minimum Wage. Compensation for each position will be established based on qualifications required for the job and the volume of work and responsibility associated with the position. Salaries for comparable positions will be reviewed in determining the salary for a new position. Budget limitations must be considered in the establishment of all salaries.

Section 653 of the Head Start Act precludes using any Head Start funds (or other federal) to pay any part of the compensation of an individual employed by a Head Start agency if that individual's compensation exceeds the rate payable for level II of the Executive Schedule (which is currently \$179,700). This cap applies to all staff who receives any part of their compensation from Head Start (or other federal funding sources), including those whose salaries are part of an indirect cost pool.

7.2 PAYMENT METHOD

A. All compensation will be paid semi-monthly as follows:

- For wages earned during the first 15 days of a month, payment will be on or before the 5th day of the following month.
- For wages earned from the 16th day to the last day of the month, payment will be on or before the 20th day of the following month.

- B. As an example, if an employee begins work on the 4th day of the month, the first paycheck or direct deposit will be issued according to the schedule in 7.2A. The employee's final paycheck will be issued one pay period after termination from the Agency.

Employees hired prior to 1-1-06 may request to be paid either through direct deposit to their bank or by a paycheck. Direct deposit is recommended. The choice of bank is always made by the employee. Once direct deposit has been chosen, employees may not revert back to written payroll checks. If an employee chooses to receive a paycheck, the paycheck will be mailed to the employee's home address currently on file in the Payroll Department. If a check is lost in the mail, a waiting period will be required before a replacement check will be issued

Employees hired beginning 1-1-06 will be required to utilize direct deposit.

Accurate time and leave records must be submitted prior to issuance of direct deposit or pay checks.

- C. All non-exempt employees will be paid an hourly rate times the number of hours payable in the pay period, with the exception of approved overtime as discussed in Section 6.4.
- D. All exempt employees will be paid equal paychecks each pay period equal to their annual salary divided by 24. Deductions may be made for the following reasons:
1. When an employee is absent from work for one or more full days for personal reasons (other than sickness or disability), a deduction in full day increments may be made from pay. Exempt employees may offset this deduction by use of their available annual leave. When an annual leave balance exists, absences from work for more than two (2) hours must be offset by annual leave. (See Section 6.3).
 2. When an exempt employee is absent for one or more full days from work for sickness or disability (including short-term disability, long-term disability and worker's compensation), a deduction in full-day increments will be made from pay. These deductions may be offset by the appropriate sick or annual leave the employee has accumulated (or any applicable company disability policy). While a sick leave balance exists, absences from work for more than two (2) hours must be offset by sick leave. (See Section 6.3).
 3. When an exempt employee is on jury duty, witness duty for a legal proceeding or temporary military leave, any amounts of pay received by the employee for such duty will be credited against the salary paid. Employees must provide a copy of jury, witness or military pay for the appropriate week(s), upon return to duty.
 4. When an exempt employee is found in violation of a major safety policy/rule, or other major policy/rule as discussed in the employee handbook, as part of the discipline process, the employee may be suspended without pay for a day or more. The length and cause of suspension remains at the agency's discretion. Factors that will be

considered include, but are not limited to, the severity of the policy/rule violation, previous infractions and service record.

5. Exempt employees who do not work a full week in the initial or terminal week of employment will receive a pro-rated portion of the full-week's salary for the time actually worked. This may be paid on an hourly or daily rate.

6. Exempt employees who take qualified leave under the company's Family and Medical Leave policy will receive pay pro-rated for the week for time actually worked. Any time deducted may be calculated on a daily or hourly basis.

If the agency makes an improper deduction from an exempt employee's pay, the agency will reimburse the exempt employee for the erroneous deduction. Exempt employees who feel improper deductions have been made from their salary should contact the Fiscal Officer or the Executive Director.

7.3 DEDUCTIONS

All wages paid by the Agency will be subject to the following deductions:

Mandatory Deductions:

1. FICA and Medicare Tax at the prevailing rate;
2. Federal Withholding at the rate determined by the employee's W-4 statement and the current U.S. Treasury Circular E;
3. State Withholding: Employees living, or working, in a state which requires withholding for the state income tax will have the appropriate amount deducted from their paycheck;
4. Tennessee Consolidated Retirement System for those employees who are scheduled to average working at least 30 hours or more per week.

Optional Deductions:

1. Contributions for group health and life insurance at the rate established by the Agency.
2. Contributions for retirement, savings plans or other employee programs as established by the Agency.

7.4 RECORDS OF TIME WORKED for ALL EMPLOYEES

- A. All employees who have access to a computer will use the Employee Web Service (EWS). It is the employee's responsibility to record their time accurately and on a daily basis. Employees should not share their EWS password. They should not log in/out for someone else, ask anyone else to log them in/out, alter, falsify, tamper with time records, or record time on another employee's time record. Any of these may result in disciplinary action, up to and including termination of employment. The supervisor should review and then sign the record before submitting it to the accounting department for payroll processing. Supervisors do not alter and record time on employee's time records at their request. These records must be submitted to the payroll accounting department before a payroll check or direct deposit will be delivered to an employee. Non-exempt employees who do not have access to a computer will record their time on sign-in/out logs and on paper time sheets.

- B. Paper time sheets and mileage sheets must be completed in ink. Any errors corrected must be made by striking through the original to show the original and the changes and be verified with the employee and approved and initialed by the appropriate supervisor or designee.

7.5 GENERAL SALARY INCREASE GUIDELINES

All salary increases will be authorized contingent upon the availability of funds in the applicable budget. Salaries may be increased or decreased based on the availability of funds in each program year. This availability of funds will be decided by the joint agreement of the appropriate Program Director, the Fiscal Officer and the Executive Director. All salary changes, including changes in the number of hours worked, must be recorded and approved on the Personnel Action Form.

7.6 MERIT INCREASES

Merit increases may be considered once within a twelve-month period. Consideration for merit increases will be initiated by each employee's immediate supervisor based upon the employee's job performance and contingent upon the availability of funds in each program year. Suggestions for merit increases will be made to the Executive Director by the Program Director, along with documentation of outstanding job performance. The Executive Director will then approve or disapprove the employee's eligibility for a merit raise based on the information presented.

7.7 COST-of-LIVING INCREASES

Salary increases will be evaluated at the beginning of each grant year, based on the availability of grant funds. Annually, at the beginning of the agency's fiscal year, the Executive Director will establish a percentage for programs to use as a maximum for cost of living increases. Any increases will be based upon the recommendation of the Program Director, the review for availability of funds by the Fiscal Officer and with final approval of the Executive Director. In no event will an employee receive a cost of living increase more than once every twelve months, except when applied at the end of the orientation period. Every effort will be made to treat programs as equally and fairly as possible.

7.8 PROMOTIONS OR REALIGNMENT OF DUTIES

If the duties of an employee change substantially due to promotion or a realignment of duties, the employee may be considered for a salary adjustment (either increase or decrease). Suggestions for adjustments will be made to the Executive Director by the Program Director, along with a description of the change in duties. The Executive Director will then approve or disapprove the change.

7.9 SPECIAL CONSIDERATIONS FOR HEAD START / EARLY HEAD START

Head Start / Early Head Start allows increases based on acquired licenses, credentials, etc. These increases may be allowed during orientation, according to their approved budget.

SECTION 8 - BENEFITS

8.1 HOLIDAYS

A. All DCEA facilities, except Head Start / Early Head Start centers, will be closed in observance of holidays listed below. These facilities include, but are not limited to the Central Office, Neighborhood Service Centers, Senior Nutrition Sites and Housing complex offices.

- New Year's Day
- Martin Luther King's Birthday
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Columbus Day
- Presidential Election Day
- Thanksgiving (2 days)
- Christmas (3 days)

To be eligible for holiday pay, employees must be in active pay status for their regularly scheduled work day for both the day before and the day after the holiday. Active pay status is defined as being at work or on approved annual or sick leave for the regularly scheduled hours. Eligible employees will receive regular pay for holidays. Temporary employees, substitutes, emergency hires and employees who are on Leave of Absence without pay, or in lay-off status are not eligible. Holiday pay for benefits eligible part-time employees is pro-rated based on their regularly scheduled hours.

A Program Director will have the authority to adjust the Holiday Schedule when they determine that it is in the best interest of the customers served by their program. Such holiday(s) will then be taken at a time mutually agreed upon by the Program Director and the Executive Director. The rescheduling of the holiday must occur within the program year. The request to alter the holiday schedule must be shown on the leave request form.

B. For employees regularly scheduled to work less than a 37.5-hour week, holiday pay will be based on the percentage of time the person is scheduled to work per week.

Example: an employee working 18.75 hours per week

$$\frac{18.75}{37.5} = 50 \text{ percent of time}$$

$$7.5 \text{ hours/day} \times 50\% = 3.75 \text{ hours pay for each holiday}$$

8.2 VOTING TIME

Any person entitled to vote in an election held in this state may be absent from any service or employment on the day of the election for a reasonable period of time, not to exceed three (3) hours, necessary to vote during the time the polls are open in the county where the person is a resident. A voter who is absent from work to vote in compliance with this section may not be

subjected to any penalty or reduction in pay for this absence. If the work schedule of an employee begins three (3) or more hours after the opening of the polls or ends three (3) or more hours before the closing of the polls of the county where the employee is a resident, the employee may not take time off under this section. The employer may specify the hours during which the employee may be absent. Application for such absence shall be made to the employer before twelve o'clock (12:00) noon of the day before the election. Eligible employees will be given a paid holiday for every presidential election.

8.3 ANNUAL LEAVE

A. The following DCEA employees are not eligible for annual leave:

- employees who have not completed their new hire paperwork
- temporary employees and emergency hires
- substitutes
- regular part-time status employees who are not benefit eligible (Refer to Section 2.2D).
- program participants
- continuing on call status

Employees working less than 37.5 hours per week are gifted with annual leave on a prorated basis.

B. All DCEA employees, other than the ones listed above under "A" above will follow the annual leave policy described in section 8.3. This policy will be effective for Head Start / Early Head Start Field Staff on 7-1-07.

Employees will be gifted with annual leave with respect to the employee's years of service, based on the following schedule:

<u>Years of Service</u>	<u>Days Per Month</u>
less than 5	1
5 to 10	1 1/2
10 to 20	1 3/4
more than 20	2

Employees who work less than 37.5 hours per week will be gifted with annual leave on a prorated basis from the above standards. In certain cases, employees may be required to take annual leave at the discretion of the Executive Director.

C. To determine the employee's length of employment for the rate of annual leave accumulation, time with the Agency will be counted from the employee's hire date, provided there have been no breaks in paid employment of more than 66 days. (Refer to Sec. 2.3 for a definition of Hire Date). Should any one period of time unemployed by the Agency extend beyond 66 days, the employee's tenure will be figured from the next re-hire date. (Refer to Sec. 2.3)

D. Annual leave will be recorded by the Central Office on a per pay period basis.

- E. Effective January 1, 2006, employees were required to take all annual leave earned during the calendar year. Effective January 1, 2011 an amendment was made to this policy to allow employees to carry over up to 22.5 hours of annual leave accumulated during the calendar year.

Your annual leave maximum carry over will fall into one of these four categories:

1. Employees who were employed prior to December 31, 2005 are allowed to carry over their adjusted accumulated amount.
2. Employees hired during the calendar year, or who came to the end of their six-month orientation period during the calendar year, may carry over up to a maximum of 45 hours of annual leave. The maximum carry-over at the end of the next calendar year and following will be 22.5 hours or the amount of carry over from the previous year.
3. Head Start / Early Head Start Field Staff who fall under this policy effective 7-1-07, are allowed to carry over their adjusted accumulated amount from 12-31-07, up to a maximum of 45 hours of annual leave.
4. Employees who do not fall into one of the three categories above may carry over up to a maximum of 22.5 hours per year.

Any annual leave remaining at the end of the year, which is over and above the employee's maximum carry over amount, will be transferred to the employee's sick leave balance. Any employee who ends the year below 22.5 hours, may carry over up to 22.5 hours at the end of the next year.

Employees who are on Disciplinary Probation and unable to take available annual leave before the end of the year, may carry their unused annual leave over to the next year. The annual leave must be scheduled with the approval of the supervisor and/or Program Director.

- F. During the orientation/probationary period, employees may be gifted with annual leave at the appropriate rate; however, employees are not eligible to take annual leave during their initial six months of employment with the Agency or while on disciplinary probation. Employees who are on orientation status due to a promotion from within the Agency will be eligible to take annual leave provided the employee has been employed by the Agency for at least six (6) months.
- G. Each employee must request permission from his or her immediate supervisor to take available annual leave in advance and in writing using the "Leave Request" selection of the Employee Web Service or the "Leave Request" form for those who still use paper time sheets. Supervisors of the employee may approve or deny the request for annual leave. Every effort will be made to approve annual leave at the employee's request; however, the employee will be expected to postpone or reschedule annual leave if requested to do so by the immediate supervisor and/or administrative staff member if it is felt that the employee's absence at the requested time would be detrimental to the efficient operation of the Agency. A supervisor may require an employee to take leave without pay if employee is absent without approval.

Employees who work in schools do not have to have prior approval to take annual leave during the school year for days that the schools are closed due to the school calendar schedule.

- H. The minimum portion of time that can be approved for annual leave is 1/4 hour (15 minutes).
- I. Employees can be paid for any unused available annual leave which was available as of December 31, 2005. However, this action will permanently reduce the amount of annual leave available for carry over.
- J. At the time employment ends, employees who have completed their initial orientation period will be paid for any unused accumulated annual leave. (Refer to Sec. 4.2A) Employment ends on the last day of active work. Employees who are members of TCRS and who have been compensated by lump-sum payment of their annual leave may not include this leave or salary for retirement purposes.

8.4 LEAVE WITHOUT PAY

Employees are required to use their available annual leave (and sick leave if applicable) prior to requesting leave without pay. A leave of absence without pay may be granted for up to three months cumulative total, which is 66 working days, in any 12 month period. If the employee cannot return to work, the action will be considered a voluntary resignation, unless subject to legal restrictions. Leave without pay may not be granted for an employee to seek political office. Approval of leave without pay is also dependent upon such things as the work schedule, availability of current staff or ability to hire temporary staff, reason for requesting leave and length of time requested. Leave without pay may or may not be granted depending upon these and other factors.

A supervisor may require an employee to take leave without pay if annual or sick leave is taken and not approved.

The appropriate administrative staff member may approve the leave if the absence is for five days or less. If the absence is for more than five days, the leave must be approved by the Executive Director. Leave without pay must be requested and approved in writing before the absence. If leave without pay is taken for an entire pay period, no sick or annual leave will be accumulated. Annual and sick leave will be prorated based on the hours worked. Employees will be responsible for paying their entire health insurance premium, including the Agency portion, if they have a pay period in which no hours are paid.

8.5 SICKNESS

- A. DCEA grants paid sick leave benefits to all eligible employees for periods of temporary absence due to illnesses or injuries. Sick leave may be used for:
 1. Personal illness of the employee
 2. Illness of a member of the employee's immediate family (See Sec. 1.8)
 3. A doctor or dentist's appointment for the employee or a member of the employee's immediate family
 4. A maximum of three (3) days to attend the funeral of an immediate family member (See Sec 1.8).

- B. Full-time employees will be gifted with up to 7.5 hours (1 day) for each month worked, after the time has been worked. For part-time employees, the number of hours of leave will be figured on a reduced pro-rated basis.

EXAMPLE: If an employee works a 15-hour week, 15 is 40 percent of a 37.5-hour week. Forty percent of 7.5 hours equals 3 hours allowed for illness. This time will be recorded by the Central Office on a per pay period basis.

- C. Since it is not always possible to anticipate the need for absence due to illness, this absence does not have to be requested and approved in advance; however, it is the responsibility of the employee to notify their direct supervisor before the scheduled start of their workday if they are unable to report to work due to illness or injury, and to follow any other procedures required by the program (See Program Procedures Manual). Should the employee fail to contact the supervisor on the first day of an absence due to illness, the employee can be denied pay for this absence, and the day or days missed will be forfeited and a warning will be issued to the employee.

For an absence due to illness for more than one day, the employee must call his/her supervisor each day, or according to the schedule set by the supervisor, to keep the Agency informed of the necessity for continued absence. For FMLA purposes there is a separate policy. This does not apply to FMLA (see Section 8.11.)

When an employee has a doctor or dentist appointment scheduled beforehand, the employee should request permission for this absence in advance, using the "Leave Request" selection on the EWS or the "Request for Leave" form for those who still use a paper time sheet.

Program Directors may limit the amount of sick leave requested based on appointment times.

- D. An employee who is absent more than five consecutive working days must present a signed doctor's statement upon return to work certifying that the employee has been sick, is released to return to work, and is able to perform the duties required in the employee's job. If the absence is because of illness of a member of the employee's immediate family, the statement must certify that the family member was sick and required the care of another person.
- E. Should an employee's immediate supervisor and/or Program Director feel that this privilege is being abused (even though the time may be legitimately available), the employee can be required to provide additional statements from the physician and/or proof of illness prior to receiving the pay for the questioned absence.
- F. Should an illness require that an employee be absent from work for a period of time extending beyond any available sick leave, the employee may request the use of any available annual leave. This request may either be granted or denied by the Program Director and/or Executive Director based on the effect the employee's continued absence will have on the Agency's successful operation.

- G. If an employee must be absent beyond his/her available sick and annual leave, the employee may request a leave of absence without pay. NOTE: See Section 8.11 for Family Leave and Medical Act and Section 8.5 for Leave Without Pay.
- H. Persons working 37.5 hours per week may have available unlimited hours but will be limited to taking 450 hours in any calendar year for time off due to illness. Employees on FMLA will be able to take sick or annual leave for the 12 week period of FMLA if it is available. The maximum of 450 hours is included in the FMLA time and is not in addition to the FMLA time. Maximum hours for time off due to illness that can be taken by those working less than 37.5 hours per week will be pro-rated accordingly. TCRS member employees who terminate due to retirement shall have all unused accumulated sick leave credited toward retirement.
- I. No employee will be paid for absence due to illness during last two weeks (ten working days) of employment, unless the resignation is for health reasons. A doctor's statement must be submitted stating that the employee must resign due to illness.
- J. At no time will anyone be paid for unused accumulated sick leave time.
- K. Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately. Up to 3 days of sick leave may be used as bereavement leave to eligible employees. Employees may, with their supervisor's approval, use any available annual leave for additional time off as necessary.

DCEA defines "immediate family" as the employee's spouse, parent, child, sibling, grandparent, grandchild, in-law (parent, child, sibling), stepparent and stepchild (see Sec. 1.8).

- L. Employees who are absent under Family & Medical Leave or Tennessee Maternity Leave will have their sick and/or annual leave all run concurrently.
- M. Tennessee Maternity Leave Law

Employees who have been employed by the same employer for at least twelve (12) consecutive months as a full-time employee, as determined by the employer at the job site or location, may be absent from such employment for a period not to exceed four (4) months for adoption, pregnancy, childbirth and nursing the infant, where applicable (such period to be hereinafter referred to as "leave"). With regard to adoption, the four (4) month period shall begin at the time an employee receives custody of the child. Employees who give at least three (3) months advance notice to her employer of her anticipated date of departure for such leave, their length of leave, and their intention to return to full-time employment after leave, shall be restored to their previous or similar positions with the same status, pay, length of service credit and seniority, wherever applicable, as of the date of their leave.

Employees who are prevented from giving three (3) months advance notice because of a medical emergency which necessitates that leave begin earlier than originally

anticipated shall not forfeit their rights and benefits under this section solely because of their failure to give three (3) months advance notice.

Employees who are prevented from giving three (3) months advance notice because the notice of adoption was received less than three (3) months in advance shall not forfeit their rights and benefits under this section solely because of their failure to give three (3) months advance notice.

Leave may be with or without pay at the discretion of the employer. Such leave shall not affect the employee's right to receive vacation time, sick leave, bonuses, advancement, seniority, length of service credit, benefits, plans or programs for which the employees were eligible at the date of their leave, and any other benefits or rights of their employment incident to the employee's employment position; provided, that the employer need not provide for the cost of any benefits, plans, or programs during the period of such leave unless such employer so provides for all employees on leaves of absence.

If an employee's job position is so unique that the employer cannot, after reasonable efforts, fill that position temporarily, then the employer shall not be liable under this section for failure to reinstate the employee at the end of the leave period.

The purpose of this section is to provide leave time to employees for adoption, pregnancy, childbirth and nursing the infant, where applicable; therefore, if an employer finds that the employee has utilized the period of leave to actively pursue other employment opportunities or if the employer finds that the employee has worked part-time or full-time for another employer during the period of leave, then the employer shall not be liable under this section for failure to reinstate the employee at the end of such leave.

Whenever the employer shall determine that the employee will not be reinstated at the end of such leave because the position cannot be filled temporarily or because the employee has used such leave to pursue employment opportunities or to work for another employer, the employer shall so notify the employee.

8.6 UNAUTHORIZED ABSENCE

Any absence not processed according to the guidelines in Section 8 will be unauthorized. Unauthorized absence *may* cause the employee to incur disciplinary action.

8.7 JURY DUTY

Employees will be excused from work when called upon for jury duty. To obtain an authorized absence for jury duty, the employee must present the court notice to the immediate supervisor who will retain a copy of the notice. The court notice must be attached to the employee's time sheet when approved.

Employees who are excused for jury duty will be paid their regular wages and accumulate their usual benefits. They will transfer their jury duty stipend to the agency. Evidence of the total amount received from the court must also be attached to the employee's time and attendance sheet for the applicable pay period. Employees who are excused from work because of jury

duty, and who serve less than three hours, are expected to return to work as soon as the court dismisses them. Failure to do so will result in loss of pay.

8.8 GROUP MEDICAL INSURANCE

Medical insurance is available to eligible employees. Employees must be scheduled to work at least 30 hours per week to be eligible for medical insurance. For information concerning the current plan, please contact Human Resources at 423-587-4500, ext. 149.

8.9 OTHER BENEFITS

The Agency provides the following benefits to all eligible employees:

- A. Worker's Compensation Insurance may provide medical disability or death benefits for a job-related injury, illness, or death. For worker's compensation insurance to be effective, all on-the-job accidents must be reported to the employee's immediate supervisor as soon as possible and a report must be filed within 24 hours after the injury. Employees absent because of an injury related to their job will not be required to use the time allowed for absence due to illness. Current Worker's Compensation regulations will be followed.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. Neither DCEA nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational or social activity sponsored by DCEA.

The Agency policy requires that employees with a work-related injury select their treating physician from a list of three or more physicians provided by the Agency. If an employee is injured in the course of work and requires medical treatment beyond first aid attention, the employee should contact the Workers' Compensation Coordinator or the Fiscal Officer in the Central Office to request a list of three or more medical providers from which the employee may choose.

- B. All full-time employees participate in the Tennessee Consolidated Retirement Plan. Employees must work a minimum of 30 hours per week to be eligible to participate in this plan. All eligible employees must contribute the prevailing state established rate, which is currently 5% of their gross pay per pay period. DCEA also contributes an amount to this retirement plan based on a rate set by the state. Some employees, hired prior to January 1, 2000, still remain in the 401a at an 8% employer contribution rate.

In addition, all employees may choose to participate in a voluntary 403(B) deferred compensation retirement plan, in addition to the TCRS. Additional information may be obtained from the Benefits Administrator.

- C. Unemployment Compensation is a form of insurance against loss of income due to losing a job through no fault of the employee. Employees should contact the Tennessee Department of Employment Security for more information.

- D. The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under DCEA's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, death of an employee, a reduction in an employee's hours or a leave of absence, an employee's divorce or legal separation and a dependent child no longer meeting eligibility requirements. Under COBRA, the employee or beneficiary pays the FULL COST of coverage at DCEA's group rates plus an administration fee.
- E. Some grants, such as Head Start, require and allow for payment of tuition and certain educational fees for employees. The only tuition and/or educational fees which will be paid by the Agency are those which are specifically provided for in the grant.

8.10 FAMILY and MEDICAL LEAVE (FMLA) POLICY

A. Eligibility

Employees who have worked for Douglas Cherokee Economic Authority for at least twelve (12) months, and who have worked at least 1,250 hours during that prior twelve (12) month period and are eligible, may take up to twelve (12) weeks of unpaid leave for 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 the employee's spouse, son or daughter or parent, who has a serious health condition;
4. For a serious health condition that makes the employee unable to perform the employee's job.
5. Eligible employees with a spouse, son, daughter or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12 week leave entitlement to address certain qualifying exigencies.
6. To care for a covered service member with a serious illness or injury incurred in the line of duty on active duty. Eligible employees must be the spouse, son, daughter, parent or next of kin of a covered service member. This leave may extend up to 26 weeks in a single 12 month period.

In the case of unpaid leave for the birth or placement of a child, intermittent leave or working a reduced number of hours is not permitted unless both the employee and DCEA agree. Also, leave for the birth or placement of a child must be completed within twelve (12) months of the birth or placement.

Eligible employees may take FMLA leave on an intermittent or reduced schedule basis when medically necessary due to the serious health condition of a covered family member or the employee, or the serious injury or illness of a covered service member. Eligible employees may also take FMLA leave on an intermittent or reduced schedule basis when necessary because of a qualifying exigency. If an employee needs leave intermittently or on a reduced leave schedule for planned medical treatment, then the employee must make a reasonable effort to schedule the treatment so as not to unduly disrupt the operations of DCEA.

If either intermittent leave or reduced hours is required, Douglas-Cherokee Economic Authority, at its sole discretion, may temporarily transfer the employee to another position with equivalent pay and benefits that better accommodate the leave. Although the alternative position will have equivalent pay and benefits, it will not necessarily include the same duties.

B. Insurance Benefits During Family or Medical Leave

During a family or medical leave of absence, DCEA will continue to pay its portion of the employee's health insurance premium and the employee must continue to pay his or her normal share of such premium. The employee must deliver, either by hand-delivery or by mail, an amount equivalent to the employee's share of health insurance premiums for one month. This must be paid within three (3) days prior to the beginning of the month. For each subsequent month that the employee will be on family and medical leave, the employee must submit his/her share of health insurance premiums within three (3) days of the first day of the month.

In the event that an employee on family or medical leave fails to make a premium contribution within thirty (30) days of the date that such contribution is due to the health insurance company, DCEA's obligation to maintain health insurance coverage ceases. Thus, failure of the employee to pay his or her share of the health insurance will result in loss of coverage. If the employee does not return to work after the expiration of the leave, or if the employee returns to work for less than thirty (30) calendar days after the employee's family or medical leave entitlement has expired, the employee will be required to reimburse DCEA for payment of health insurance premiums the company paid during the family or medical leave, unless the employee does not return due to the presence of a serious health condition that prevents the employee from performing his or her job duties or if circumstances exist which are beyond the control of the employee.

If the employee has other types of insurance, such as disability, life, etc., they must also pay those monthly premiums in full at the first of each month. The employee must deliver, either by hand-delivery or by mail, an amount equivalent to the employee's insurance premiums for one month. This must be paid within three (3) days prior to the beginning of the month. For each subsequent month that the employee will be on family and medical leave, the employee must submit his/her share of insurance premiums within three (3) days of the first day of the month.

C. Twelve Month Period

Under this family and medical leave policy, an eligible employee is only entitled to twelve (12) weeks of family and medical leave for every twelve (12) month period for the FMLA reasons 1 through 5, or up to 26 weeks within each 12 month period to care for FMLA reason 6. This twelve (12) month period will be measured forward from the date that an employee first takes family and medical leave. Thus, once an employee takes family or medical leave, the twelve (12) month period will begin on the date that the employee first takes such leave, and for that employee, in the years to come, the twelve (12) month period will always begin to run on that same date (specific day of a specific month) each year.

D. Earned Leave and Other Benefits

During family and medical leave, accumulation of employment benefits such as vacation hours, sick leave time, or other benefits will be suspended unless the employee is in active pay status. Employment benefits accumulated by the employee up to the day on which the family or medical leave begins will remain intact.

Employees who return to work from a family or medical leave of absence within the leave period or on the next business day following the expiration of the twelve (12) weeks are entitled to return to their position or an equivalent position without any loss of benefits or pay otherwise available.

Employees are required to use their available annual leave and sick leave time during the twelve (12) week family or medical leave of absence. This available leave time will run concurrently with the twelve (12) weeks of Family and Medical leave and only that time for which an employee has available leave will be paid time off. Use of such available leave time will be in compliance with the established policy and procedure for each leave benefit.

E. Procedure for Taking Family or Medical Leave

Before taking any leave, each employee must submit a request for leave by filling out a "Request for Leave" form. That form **MUST** be obtained from the employee's supervisor. **ALL REQUESTS FOR LEAVE MUST BE SUBMITTED AT LEAST THIRTY (30) DAYS BEFORE THE LEAVE IS TO BEGIN**, or as soon as possible if thirty (30) days notice is not possible. If the reason for an employee's leave changes, the employee must request from his or her supervisor another "Request for Leave" form and submit the new form to DCEA within **THREE (3) DAYS** of its receipt.

DCEA will require certification for any type of Family and Medical Leave. The employee **MUST** respond to the request for certification within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave. Forms may be obtained from the Human Resources Department. **A CERTIFICATION FORM MUST BE SUBMITTED IN ORDER TO QUALIFY FOR FAMILY AND MEDICAL LEAVE.**

While on family and medical leave, **EACH EMPLOYEE MUST SUBMIT A "STATUS REPORT FORM" FOR EACH THIRTY (30) DAY PERIOD THAT HE/SHE IS ON FAMILY OR MEDICAL LEAVE.** This form **MUST** be obtained from the Human Resources Department and may be submitted to DCEA either by hand-delivery, by mail or by fax (fax number 423-200-5101).

BEFORE BEING RESTORED TO HIS/HER FORMER EMPLOYMENT, EVERY EMPLOYEE WHO IS ON FAMILY OR MEDICAL LEAVE DUE TO A SERIOUS HEALTH CONDITION MUST SUBMIT A WRITTEN CERTIFICATION FROM THEIR HEALTH CARE PROVIDER VERIFYING THEIR ABILITY TO RESUME WORK AND A LIST OF RESTRICTIONS THAT WOULD DIRECTLY RELATE TO THEIR ABILITY TO PERFORM THEIR JOB.

8.11 NOTICE OF EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to the pregnancy, prenatal medical care or child birth;
- To care for the employee’s child after birth or placement for adoption or foster care;
- To care for the employee’s spouse, son or daughter, or parent who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee’s job.

Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

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: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

***The FMLA definitions of “serious injury or illness” for current service members and veterans are distinct from the FMLA definition of “serious health condition”.**

Benefits and Protections

During FMLA leave, the employer must maintain the employee’s health coverage under any “group health plan” on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee’s leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months*, and if at least 50 employees are employed by the employer within 75 miles.

***Special hours of service eligibility requirements apply to airline flight crew employees.**

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions; the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- interfere with, restrain, or deny the exercise of any right provided under FMLA; and
- discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulation 29 C.F.R. § 825.300(a) may require additional disclosures.

Further Information

For additional information contact 1-866-4USWAGE (1-866-487-9243); TTY: 1-877-889-5627 or visit the Wage and Hour Division website: <http://www.wagehour.dol.gov>.

8.12 MILITARY LEAVE POLICY

An employee who gives advance notice and who leaves the Agency for any period of active or training service in the Uniformed Services of the United States is entitled to continued employment and, after completing longer periods of service, will be reemployed in accordance with federal and state law. Employees must meet the guidelines established in the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA).

Employees should inform the Agency of training or drill schedules as far in advance as possible. Upon request, employees going on Uniformed Services Leave may use any available annual leave.

Reinstated employees will receive full credit for seniority and other rights and benefits determined by seniority held by the employee at the start of the leave plus full credit for the period of time spent (up to five years) in the Uniformed Services.

8.13 COBRA GENERAL NOTICE OF CONTINUATION COVERAGE RIGHTS

****CONTINUATION COVERAGE RIGHTS UNDER COBRA****

Introduction

You are receiving this notice because you have recently or will become covered under a group health plan (the Plan). This notice contains important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. This notice generally explains COBRA continuation coverage, when it may become available to you and

your family, and what you need to do to protect the right to receive it. The right to COBRA continuation coverage was created by a federal law, Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and to other members of your family who are covered under the Plan when you would otherwise lose your group health coverage. This notice gives only a summary of your COBRA continuation coverage rights. For more information about your rights and obligations under the Plan and under federal law, you should either review the Plan's Summary Plan Description or get a copy of the Plan Document from Human Resources.

What is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a “qualifying event.” Specific qualifying events are listed later in the notice. COBRA continuation coverage must be offered to each person who is a “qualified beneficiary.” A qualified beneficiary is someone who will lose coverage under the Plan because of a qualifying event. Depending on the type of qualifying event, employees, spouses of employees, and dependent children of employees may be qualified beneficiaries. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for COBRA continuation coverage. If you are an employee, you will become a qualified beneficiary if you will lose your coverage under the Plan because of any of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct. If you are the spouse of an employee, you will become a qualified beneficiary if you will lose your coverage under the Plan because of any of the following qualifying events:
 - Your spouse dies;
 - Your spouse's hours of employment are reduced;
 - Your spouse's employment ends for any reason other than his or her gross misconduct;
 - Your spouse becomes enrolled in Medicare (Part A, Part B, or both); or
 - You become divorced or legally separated from your spouse. Your dependent children will become qualified beneficiaries if they will lose coverage under the Plan because any of the following qualifying events happens:
 - The parent-employee dies;
 - The parent-employee's hours of employment are reduced;
 - The parent-employee's employment ends for any reason other than his or her gross misconduct;
 - The parent-employee becomes enrolled in Medicare (Part A, Part B, or both);
 - The parents become divorced or legally separated; or
 - The child stops being eligible for coverage under the plan as a “dependent child.”

When is COBRA Coverage Available?

The plan will offer COBRA continuation to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. When the qualifying event is the end of employment or reduction of hours of employment, death of the employee, or enrollment of the employee in Medicare (Part A, Part B, or both), the employer must notify the Plan Administrator of the qualifying event. In addition, if the Plan provides retiree health coverage, then commencement of a proceeding in a bankruptcy with respect to the employer

is also a qualifying event where the employer must notify the Plan Administrator of the qualifying event.

You Must Give Notice of Some Qualifying Events

For the other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator. The Plan requires you to notify the Plan Administrator within 60 days after the qualifying event occurs. You must send this notice to your employer or to:

BenefitsAssist, Inc., P.O. Box 31823, Knoxville, TN 37930-1823

How is COBRA Coverage Provided?

Once the Plan Administrator receives timely notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. For each qualified beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin either (1) on the date of the qualifying event or (2) on the date that Plan coverage would otherwise have been lost, depending on the nature of the Plan. COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the employee, your divorce or legal separation, or a dependent child losing eligibility as a dependent child, COBRA continuation coverage lasts for up to 36 months. When the qualifying event is the end of employment or reduction of the employee's hours of employment, and the employee became entitled to Medicare benefits less than 18 months before the qualifying event, COBRA continuation coverage for qualified beneficiaries other than the employee lasts until 36 months after the date of Medicare entitlement. For example, if a covered employee becomes entitled to Medicare 8 months before the date on which his employment terminates, COBRA continuation coverage for his spouse and children can last up to 36 months after the date of Medicare entitlement, which is equal to 28 months after the date of the qualifying event (36 months minus 8 months). Otherwise, when the qualifying event is the end of employment or reduction of the employee's hours of employment, COBRA continuation coverage generally lasts for only up to a total of 18 months. There are two ways in which this 18-month period of COBRA continuation coverage can be extended.

Disability extension of 18-month period of continuation coverage

If you or anyone in your family covered under the Plan is determined by the Social Security Administration to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to receive up to an additional 11 months of COBRA continuation coverage, for a total maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of continuation coverage. A copy of the Social Security Administration determination notice must be sent before the end of the original continuation period to:

BenefitsAssist, Inc., P. O. Box 31823, Knoxville, TN 37930-1823

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event while receiving COBRA continuation coverage, the spouse and dependent children in your family can get additional months of COBRA continuation coverage, up to a maximum of 36 months. This extension is available to

the spouse and dependent children if the former employee dies, or gets divorced or legally separated. The extension is also available to a dependent child when that child stops being eligible under the Plan as a dependent child. In all of these cases, you must make sure that the Plan Administrator is notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to:

BenefitsAssist, Inc., P. O. Box 31823, Knoxville, TN 37930-1823

Trade Act of 2002

If you qualify for Trade Adjustment Assistance (TAA) as defined by the Trade Act of 2002, then you will be provided with an additional 60-day enrollment period, with continuation coverage beginning on the date of such TAA approval.

If You Have Questions

If you have questions about your COBRA continuation coverage, you should contact Connie Adams at COBRAssist, P.O. Box 31823, Knoxville, TN 37930-1823, phone number (865) 769-2800, or you may contact the nearest Regional or District Office of the U.S Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at www.dol.gov/ebsa.

Keep Your Plan Informed of Address Changes

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator. COBRA Continuation Administrator Contact Information: BenefitsAssist, Inc., P.O. Box 31823, Knoxville, TN 37930-1823, (865) 769-2800.

SECTION 9 - EMPLOYEE RESPONSIBILITIES & LIMITATIONS

9.1 NEW EMPLOYEES

When an employee is hired, he/she will be given a "Letter of Understanding". This letter will explain the terms of employment, salary, work hours, and other information and does not constitute a contract of employment. The Letter of Understanding must be signed and returned to the Agency as explained in Section 3. Each new employee must also complete the orientation procedure with the Human Resources Director or with his or her supervisor as outlined in Section 4 and in the program's Procedures Manual. Each employee must read and become familiar with the Employee Handbook and their program's Procedures Manual. All Head Start / Early Head Start employees, hired after August, 1985, will be required to release information concerning previous involvement in child abuse and/or neglect. A consent form will be signed to release criminal records on a new employee to the Head Start / Early Head Start Program. Any information received will be evaluated in relation to the employee's qualifications and fitness to work with preschool children. Some positions and funding sources require background checks to be completed on employees.

9.2 GENERAL RESPONSIBILITIES

Each Agency employee is responsible for performing job duties efficiently and effectively as described in the job description, Employee Handbook, the applicable Procedures Manual and funding guidelines, and as instructed by the supervisor(s). Employees should approach their jobs with a positive attitude and deal with problems constructively. Employees should also treat all clients, staff, and colleagues with respect. Reports and forms must be submitted as explained in the Procedures Manual. Each employee should also attend all training sessions and staff meetings except when excused by the appropriate administrative staff member.

Each employee must sign in and out of the center or office. If an employee must be absent from work, the procedures outlined in Section 6 and 8 must be followed. Each employee is responsible for the proper care and use of Agency property, equipment and supplies as explained in Section 9. When a person leaves employment with the Agency, all property and keys must be returned to the immediate supervisor.

It is the responsibility of each employee to promptly notify the Agency of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments and other such status reports should be accurate and current at all times. If any personnel data has changed notify the Human Resources office.

Each Program Director is responsible for the administration of the program budget(s) in accordance with DCEA and funding agency guidelines. DCEA's Fiscal Officer is responsible for establishing and maintaining the accounting policies and procedures of the Agency, with concurrence from the Executive Director.

All program information, data, materials, software, etc., remains the property of the Agency.

9.3 PUBLIC RELATIONS

All Douglas-Cherokee Economic Authority's employees represent the Agency in the community. Each employee's conduct in daily contact with residents of the area must present a positive image of the Agency. Program Directors are encouraged to submit news releases to the newspapers in the service area. Any information released to the public (job ads, program announcements, newsletters, etc.) must be approved by the Executive Director prior to release. The name of the Agency and the funding source must appear in all information released, except for job advertisements. All programs are encouraged to display materials at local fairs, businesses, and industries.

9.4 SECURITY

Administrative staff members are responsible for the distribution and collection of keys to doors, desks, cabinets, etc., in each office and center. This procedure should be detailed in the Program Procedures Manual. Administrative staff and employees responsible for an office or center, and employees working outside of normal working hours are responsible for making sure the following are done: turning off lights in the office or center, turning off equipment, locking doors, and generally providing for the total security of the buildings and their contents.

Desks, lockers, agency vehicles and other storage devices may be provided for the convenience of employees but remain the sole property of DCEA. Accordingly, they, as well

as any articles found within them, can be inspected by any agent or representative of DCEA at any time, either with or without prior notice.

DCEA employees may perform work duties at a DCEA site, or at locations not owned and/or controlled by DCEA, and their work duties or activities may be monitored by electronic means, more specifically video cameras.

9.5 VISITORS IN THE WORKPLACE

Employees should not have extended or routine visits by friends, family or co-workers during work time. Such visits at the worksite create the potential for injury to the visitor and significant liability to the Agency, as well as adversely affecting the work efficiency of staff. Employees are responsible for the conduct and safety of their visitors.

At no time should visitors utilize any Agency equipment such as copiers, computers, cell phones, exercise equipment, etc.

9.6 WORKPLACE VIOLENCE

Douglas Cherokee Economic Authority is committed to preventing workplace violence and to maintaining a safe work environment. DCEA has adopted the following guidelines to deal with intimidation, harassment or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of Douglas-Cherokee Economic Authority without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, you should contact the appropriate authorities if necessary.

Douglas-Cherokee Economic Authority will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, DCEA may suspend employees, either with or without pay, pending investigation. Anyone determined to be responsible for threats of

(or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

Douglas-Cherokee Economic Authority encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Human Resources Director before the situation escalates into potential violence. DCEA is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

9.7 CONFIDENTIALITY, SAFEGUARDING INFORMATION and HIPAA

This policy is effective 7-1-06 and replaces Section 9.7 (formerly entitled “Confidentiality & HIPAA Compliance”) in the 2006 Employee Handbook.

This policy pertains to the security and privacy of all non-public information including client/customer information, employee information, including medical information, and general Agency information whether it is in hard copy or electronic form. Documents that include confidential information such as social security numbers, dates of birth, client/customer records, medical information, benefits information, compensation and employee evaluations need to be secured during printing, transmission (including by fax), storage and disposal.

This document establishes specific requirements for the proper protection of these valuable resources and to ensure that DCEA maintains strict confidentiality in compliance with applicable requirements and regulations of all funding sources and other applicable federal and state privacy laws.

In our day-to-day jobs, staff members have access to very private information about our clients and employees. Employees should only access the information necessary to do their job. Private information should only be discussed with others who “need to know” it to do their jobs and should not be discussed among co-workers. Personal information concerning clients and employees (such as names, addresses, health information, income, household members, information about disabilities, social security numbers, birth dates, services provided, etc.) must remain confidential and should not be disclosed without written permission.

At all times, client information is confidential. What an employee is told by a client or potential client can NEVER be discussed with anyone outside the Agency without the client’s permission. Information can only be shared within the Agency when necessary for service to a client. Breaches in confidentiality will result in appropriate disciplinary action. Information involving child abuse must be reported to the proper agencies, according to State Law and the Federal Child Abuse Prevention and Treatment Act of 1974.

It is vitally important that all employees handle confidential information properly. Access to confidential information is restricted to those who have a need to know as defined by their job duties. Anyone who receives confidential information has a responsibility to maintain and safeguard this information and to use it with consideration and ethical regard for others. Circumventing or attempting to circumvent restrictions on the use and dissemination of confidential information is considered a serious offense. If confidential information is received in error, the recipient has an obligation to report the receipt to the Human Resources Director or the Head Start Personnel Manager.

General Guidelines

- Do not leave paper documents containing confidential information unattended; protect them from the view of passers-by or office visitors.
- Store paper documents containing confidential information in locked files.
- Do not leave the keys to file drawers containing confidential information in unlocked desk drawers or other areas accessible to unauthorized staff.
- **All** documents that contain confidential and/or personal information, and that are no longer needed, must be shredded. Do not place them in the trash for disposal. Take care to secure these documents until shredding occurs.
- Do not leave client/employee files open and unattended on a computer screen or on your desk.
- Computer screens should be blocked from view if they contain confidential information which could be seen by others.
- Immediately retrieve or secure sensitive documents that are printed on copy machines, fax machines and printers.
- Any Personal Health Information faxed out should be transmitted on the Agency's secure fax lines.
- Double-check fax messages containing confidential information:
 - Recheck the recipient's number before you hit 'start.'
 - Verify the security arrangements for a fax's receipt prior to sending.
 - Verify that you are the intended recipient of faxes received on your machine.

Disclosure of Information

Employees may be asked for information about DCEA by the media, outside groups and others collecting information for various purposes. No employee should make public statements on behalf of DCEA or provide confidential information in response to external inquires unless he/she has been authorized to do so. Refer all employment verification and reference requests to Human Resources.

Any legal summons, subpoena, or court order having to do with wages or wage garnishments, employee records, or other legal documents should be served upon the Human Resources Director or Payroll.

Some employees must disclose confidential DCEA information as a part of their job responsibilities. This policy concerning confidential information is not intended to prohibit such authorized disclosures.

A few examples of situations in which confidential information might properly be disclosed are:

- Disclosure of operational data to vendors or consultants in connection with providing services to DCEA,
- Participation in legitimate and authorized surveys,
- Providing data to agencies as part of required filings, reporting or grant preparation,
- An authorized employee responding to monitoring or auditing inquires.

Employees should be certain that they understand what they have been authorized to disclose, and to whom, prior to disclosing any confidential information. Questions regarding the appropriateness of requests for information from internal or external parties should be directed to a supervisor or Executive Director.

Access

Douglas-Cherokee will maintain strict control over access to work locations, records, computer information, cash and other items of value. Employees who are assigned keys, given special access or assigned job responsibilities in connection with the safety, security or confidentiality of such records, materials, equipment, or items of monetary value will be required to use sound judgment and discretion in carrying out their duties and will be held accountable for any wrongdoing or acts of indiscretion. Some employees may become familiar with another employee's or person's confidential information in connection with the performance of their jobs. Information may not be divulged, copied, released, sold, loaned, reviewed, altered or destroyed except as properly authorized.

Safeguarding Medical Information

The acquisition, retention and dissemination of medical information regarding staff by employees and supervisors are regulated by law. All medical certificates and related information that describe the health, medical history, or condition of an employee or an employee's family members must be handled as confidential medical information and should be maintained in the employee's health file. This information must be stored in a locked file separate from the personnel file. The Payroll Office and the Head Start Health Coordinator will maintain these files. Do not attach medical certificates and related medical information to time sheets

Generally, employers are limited in the acquisition of medical information. Access to health and medical information must be limited to a need to know basis. If an employee submits medical documentation and indicates a medical need to be absent from work for more than five (5) consecutive working days, the Human Resources department should be consulted about placing the employee on a Leave of Absence. When an employee is placed on a Leave of Absence for medical reasons related to the employee or a family member, the Human Resources department will provide supervisors with information related to the need for time off, but will not release medical details. All medical information will be kept confidential and will only be shared with those with a need to know or as required by law.

Head Start employees who have medical information to submit, such as doctor's notes that support a need for time out of work, should fax them to the Head Start fax number below or mail them to the Head Start address below. All other Douglas-Cherokee employees should fax or mail their medical information to the Human Resources Director at the fax number or address listed below. This information, as well as all documentation with specific information about an employee's medical condition or status, should be sent directly to the Human Resources Director or Head Start Personnel Manager.

When faxing medical information:

- Fax all information concerning employee's personal health information to the secure fax maintained by the DCEA HR department or the Head Start secure fax maintained by the Head Start Personnel Manager.

- DCEA Human Resources Department secure fax number:
423-200-5101
- Head Start Personnel Manager secure fax number:
423-200-5102

When mailing information:

- Mail all information concerning employee's personal health information to the DCEA Human Resources department or to the Head Start Personnel Manager (for all Head Start employees). The envelope should be labeled as "Confidential" and sent to the attention of the appropriate person listed above. The mailing address is:
Attention: _____
Douglas-Cherokee Economic Authority
534 East First North Street
Morristown, TN 37814
- All results of physicals and TB screenings for Head Start employees should be sent to:
Attention: Personnel Manager
Douglas-Cherokee Head Start
127 Cedar Street
Morristown, TN 37814

9.8 EMPLOYEE DRESS

The following information is intended to serve as a guide to help define appropriate business wear for all employees. Each employee is expected to dress appropriately for the job and for following appropriate dress standards. Each employee is a representative of the agency, the program and the other staff members, and should project a professional image to the people who come into our offices and buildings. In following dress standards, supervisors and employees should consider these factors:

1. The nature of the work.
2. Work activities planned for the day.
3. Safety considerations, such as necessary precautions when working in the kitchen, driving a bus, making home visits, or working outside.
4. The nature of the employee's public contact and the normal expectations of outside parties with whom the employee will work. A more formal style of dress should be worn on days with public contact.
5. Not all casual clothing is appropriate for the office. Clothing should be neat, clean and ironed when necessary. It is never appropriate to wear stained, wrinkled, frayed or revealing clothing to the workplace. If you are considering wearing something and you are not sure if it is acceptable, choose something else or inquire first.

Guidelines:

1. Informal dress is acceptable for day-to-day activities. A more formal style is preferred when meeting with the public, with other professionals, or with any group, or when it is known that meetings are being held in the building.
2. Clothing should fit appropriately and not be too tight or too loose.
3. Hemlines for skirts and shorts (when approved) should not go more than two (2) inches above the knee when standing.
4. Examples of inappropriate clothing or other items that should not be worn include:
 - Low-cut shirts
 - high split skirts or mini-skirts

- tube tops
 - halter or midriff tops
 - tank tops
 - sweat suits or other forms of exercise clothing
 - shorts and short shorts
 - spandex or other form fitting pants
 - spaghetti-strap dresses or tops
 - tops with bare shoulders, unless worn under a blouse or jacket
 - body piercing, other than ear lobes, must be concealed
5. Tee shirts and other shirts should not have any logo, design, or wording that promotes alcohol, tobacco; are sexual in nature by wording or design; promotes discrimination of any form; or contains any offensive messages or images.
 6. Employees are not to remove their shirts when working outdoors or indoors.
 7. Offensive tattoos should be covered.

Programs may have more specific and limiting guidelines than the ones listed above. Please refer to your Program Procedures Manual for more information.

9.9 TECHNOLOGY AND ELECTRONIC COMMUNICATIONS

Purpose and Scope

The purpose of this policy is to identify guidelines for the use of Douglas-Cherokee technologies and communications systems. This policy establishes a minimum standard that must be upheld and enforced by users of the Agency's technologies and communications systems.

The term "user" as used in these policies refers to employees (whether full-time, part-time or limited-term), independent contractors, consultants and any other user having authorized access to, and using any of, the Agency's computers or electronic communications resources.

Computer and electronic communications resources include, but are not limited to, host computers, file servers, stand alone computers, laptops, printers, fax machines, phones, on-line services, E-mail systems, bulletin board systems and all software that is owned, licensed or operated by DCEA.

Acceptable Use of Agency Property

Use of the Agency's computers and electronic communications technologies is for programmatic and business activities of Douglas-Cherokee. All use of such resources shall be in an honest, ethical, and legal manner that conforms to applicable license agreements, contracts, and policies regarding their intended use. Although incidental and occasional personal use of the Agency's communications systems are permitted, users automatically waive any rights to privacy.

In addition, the information, ideas, concepts and knowledge described, documented or contained in the Agency's electronic systems are the intellectual property of DCEA. The copying or use of the Agency's intellectual property for personal use or benefit during or after employment (or period of contract) with DCEA is prohibited unless approved in advance by the Executive Director.

All hardware (laptops, computers, monitors, mice, keyboards, printers, telephones, fax machines, etc) issued by DCEA is the property of the Agency and should be treated as such. Users may not physically alter or attempt repairs on any hardware at any time. Users must report any problems with hardware to the Program Director or the Administrative Operations Manager. The Administrative Operations Manager should be contacted before the purchase of any hardware or software and before the installation or download of any software. Occasional and reasonable personal use of DCEA's internet and e-mail services is permitted, provided that this does not interfere with work performance. These services may be used outside of scheduled hours of work, provided that such use is consistent with professional conduct. This is available to DCEA employees only and not to visitors, family and friends.

Users should have no expectation of privacy while using DCEA owned or DCEA leased equipment. Information passing through or stored on company equipment can and will be monitored.

Password Security

Users are responsible for safeguarding their login passwords. Passwords may not be shared, nor should they be printed or stored on-line. Program Directors should have, or know where to locate, all passwords, except for EWS. Users should not leave their computers unattended without logging off.

Confidentiality

All information about individuals, families or agencies served by DCEA is confidential. No information may be shared except as provided for in Section 9.7 of the DCEA Employee Handbook.

Copyrighted Information

Use of DCEA electronic communication systems to copy, modify, or transmit documents, software, information or other materials protected by copyright, trademark, patent or trade secrecy laws, without obtaining prior written permission from the owner of such rights in such materials, is prohibited.

Installation of Software

The installation of new software on the computers of Douglas-Cherokee without the prior approval of the Administrative Operations Manager and the Program Director is prohibited. If an employee desires to install any new programs onto a DCEA computer, written permission should first be obtained.

Other Prohibited Uses

Other prohibited uses of the Agency's communication systems include, but are not limited to:

1. Engaging in any communication that is discriminatory, defamatory, pornographic, obscene, racist, sexist or that evidences religious bias, or is otherwise of a derogatory nature toward any specific person, or toward any race, nationality, gender, marital status, sexual orientation, religion, disability, physical characteristic, or age group.
2. Browsing or downloading and/or forwarding and/or printing pornographic, profane, discriminatory, threatening or otherwise offensive material from any source including, but not limited to, the Internet.

3. Engaging in any communication that is in violation of federal, state or local laws.
4. Promoting any religious belief or tenet.
5. Campaigning for or against any candidate for political office or any ballot proposal or issue.
6. Sending, forwarding, redistributing or replying to "chain letters."
7. Unauthorized use of passwords to gain access to another user's information or communications on DCEA systems or elsewhere.
8. Advertising, solicitation or other commercial, non-programmatic use.
9. Knowingly introducing a computer virus into the Agency's communication system or otherwise knowingly causing damage to the Agency's systems.
10. Using the Agency's systems in a manner that interferes with normal business functions in any way, including but not limited to, streaming audio from the Internet during business hours, stock tickers, installing unauthorized software, etc.
11. Excessive personal use of the Agency's technologies that preempts any business activity or interferes with Agency productivity.
12. Sending E-mail messages under an assumed name or obscuring the origin of an E-mail message sent or received.

Disciplinary Action for Violations

Douglas-Cherokee requires all users to adhere to this policy. Violations of this policy will result in disciplinary action, which could include termination of employment.

Reporting of Suspected Violations

Suspected violations of these policies should be immediately and confidentially reported to your immediate supervisor. If you prefer not to discuss it with your supervisor, you may contact the Fiscal Officer, the Human Resources Director or the Executive Director.

DCEA reserves the right to install programs that monitor employee use of the Internet and electronic communication systems and to act on any violations of these policies found through use of such programs. DCEA further reserves the right to examine any and all electronic communications sent or received by employees via the Agency's electronic communications systems.

9.10 RESTRICTIONS on POLITICAL ACTIVITIES

Each employee must conform to the restrictions on political activities mandated by their funding source. These guidelines are contained in the program Procedures Manuals. Leave without pay may not be granted for an employee to seek political office. Employees are not allowed to transport voters to the polls, be involved in voter registration or be involved in any political activity during work time. Please refer to Appendix A at the back of this manual for more specific guidelines concerning restrictions on political activity.

9.11 CODE of CONDUCT

DOUGLAS-CHEROKEE ECONOMIC AUTHORITY, INC.
CODE OF CONDUCT
Preamble

The Douglas-Cherokee Economic Authority, Inc. (DCEA) is committed to maintaining the highest level of integrity and the highest standards of ethical conduct in all of its activities and dealings. It is important for DCEA board members and employees to be aware that both real and apparent conflicts of interest or dualities of interest sometimes occur in the course of conducting the affairs of the organization and that the appearance of conflict can be troublesome even though there is in fact no legal conflict of interest.

Conflicts occur because the many persons associated with DCEA should be expected to have, and do in fact generally have multiple interests and affiliations and various positions of responsibility within the community. In these situations, a person will sometimes owe identical duties of loyalty to two or more organizations. Conflicts are undesirable because they potentially place the interests of others ahead of DCEA's obligations to the public interest. Conflicts are also undesirable because they often reflect adversely upon the person involved and upon the institutions with which they are affiliated, regardless of the actual facts or motivations of the parties.

The purpose of the Code of Conduct is to provide guidance to DCEA's board members and employees so the Agency can maintain the highest level of integrity and the highest standards of ethical conduct. Each board member and employee of DCEA is urged to review carefully this Code of Conduct and make every effort to adhere to it. Certain provisions of this Code of Conduct, as indicated, apply only to board members.

I. Gifts to Board Members and Employees.

The acceptance by any board member, or employee, of money, services or any other thing of value offered by a representative, person or entity which (1) does business with DCEA (or any person or entity which potentially could do business with DCEA) or (2) has applied for a grant or potentially could apply for an upcoming grant from DCEA is prohibited. The offer of any such benefit must be reported immediately to the Board Chair for board members and to the Executive Director or Human Resources for employees. Notwithstanding the forgoing, it is understood that a board member or employee of DCEA may receive unsolicited gifts of modest value from persons doing business with DCEA, such as Christmas gifts of modest value not to exceed \$50. If the value of a gift exceeds \$50, the gift must be returned to the donor. If the gift is not easily returned, the gift shall be donated to a local charitable agency or organization in the name of the donor. Said donor shall be notified of such, as well as, notified of DCEA's gift prohibition policy. It is also expressly understood that this policy does not preclude business meals or nominal entertainment on an infrequent basis.

II. Confidentiality of Information.

DCEA's board members and employees owe a duty of loyalty to DCEA. The duty of loyalty requires each board member and employee of DCEA to respect the confidentiality of information gained in the course of board activities or employment. No board member or employee shall use information received in the course of serving DCEA if the personal use of such information would be detrimental in any way to the Agency.

III. Conflicts of Interest.

A. Board Members.

Any possible conflict of interest of any board member (or member of the board member's immediate family) shall be fully disclosed to the other board members and made a matter

of record. For the purpose of this policy, a member of an immediate family shall include any of the following persons: spouse, parent, grandparent, child, sibling, grandchild, in-law (parent, child, sibling) and step-(parent, child, sibling). When any such possible conflict of interest becomes relevant to any matter requiring Board of Directors or committee action, it shall be called to the attention of the board or committee and, if any question is raised as to whether a conflict of interest exists, the potentially interested person shall leave the meeting while the matter is discussed and voted upon. The remaining members shall decide if a conflict of interest exists. If the remaining members determine that a conflict of interest exists, or if no such vote is taken because a conflict of interest clearly exists, the board member shall not vote on the matter in which he or she (or a member of his or her immediate family) has a possible conflict of interest, shall not use personal influence to affect the vote and shall leave the room during the final discussion and vote on the matter. However, any board member who is excluded from voting because of such possible conflict of interest may answer any pertinent questions of other board members or committee members when the board member's knowledge of the matter may assist the board or committee in making its determination. Any vote approving a transaction that involves a possible conflict of interest should include a determination by the disinterested board members that the transaction is in the best interest of CAA and is fair in all respects to DCEA. The minutes of the meeting shall reflect that a disclosure was made and the nature of the disclosure, that the interested board member abstained from voting and left the room for the final discussion and vote, and that the interested board member abstained from the action taken to determine whether a conflict of interest existed, if any.

Board members are prohibited from receiving compensation for serving on the board or providing services to the Agency, and board members and their immediate family are prohibited from being employed by the Agency.

Board members must operate independent of staff employed at the Agency.

B. Committee Members.

The provisions of this policy applying to board members also shall apply to any person who is not a board member but who is at any time serving as a member of any committee or Policy Council.

C. Employees.

Each employee has a duty to make full disclosure to the Board of Directors of any possible conflict of interest (or that of a member of his or her immediately family) regarding any matter as to which the employee provides recommendations or advice to the Board of Directors.

D. Types of Conflicts of Interest.

A particularly important type of possible conflict of interest arises when a board member holds a direct or indirect financial interest in (or will receive a benefit from) a business firm furnishing services, materials, or supplies to DCEA or that is seeking grant funds from DCEA. Board of Directors are prohibited from having a direct or indirect financial interest with DCEA. A direct financial interest is the receipt of remuneration of any sort. An indirect financial interest exists if a party transacting business with DCEA is an entity:

- (1) in which DCEA's board member (or a member of his or her immediate family) has a

- material financial interest;
- (2) with which DCEA's board member (or a member of his or her immediate family) has a substantial business relationship; or
- (3) of which DCEA's board member (or a member of his or her immediate family) is an officer, director, general partner.

Board members are prohibited from having a financial conflict of interest with DCEA. If a financial conflict of interest exists and is not eliminated, the board member must resign.

A direct or financial interest does not exist when an eligible board member or employee receives benefits or services through programs administered by DCEA. Board members or employees are not excluded from being clients of the Agency and receiving program services for which they are eligible; however, they should not receive preferential treatment in the nature or timing of these services.

IV. Use of CAA's Services, Property or Facilities for Personal Purposes.

No board member or employee shall make use of DCEA's services, property or facilities for any purpose that is not related to the Agency.

V. Political Activities.

No board member or employee of DCEA in the name of the Agency or under the color of the official capacity or authority of DCEA shall:

- (1) participate or become actively involved in any political campaign or in any other type of political activity, or
- (2) provide financial support for, or make contributions to or for the benefit of any political candidate, political party, or political action committee or provide financial support for or make contributions in support of any other political objective.

Notwithstanding the foregoing, DCEA recognizes that each of its board members and employees has the right as a citizen to become involved in his or her individual capacity in the political process in Tennessee and on a national and local basis. Any such participation or involvement by any person in a political campaign or other type of political activity or any contribution to or any other financial support of a political candidate or any other type of political contribution or support shall only be carried on or provided in an individual capacity.

VI. Compliance with Code of Conduct.

Each board member and employee of DCEA shall receive a copy of the Code of Conduct. Each such person shall be required to complete the disclosure statement and also shall certify that he or she has read the Code and agrees to comply with all standards and requirements set forth herein.

All employees will be given the Code of Conduct to read on their first day of work. They will be encouraged to ask questions about the Code as it pertains to their unique work situation. Board members will be given the Code upon their election to the Board of Directors and will be encouraged to ask questions.

Failure to comply with the Code of Conduct may result in warnings, probation and /or termination.

DOUGLAS-CHEROKEE ECONOMIC AUTHORITY, INC.

I, _____, hereby state that I have read the Code of Conduct (including the conflict of interest policy) of DCEA. I agree to comply with all provisions of the Code of Conduct during the period of my employment or board tenure with the Agency.

If I become aware of an actual or potential conflict of interest, I will notify and disclose the circumstances to the Executive Director or to the Chair of the Board.

I further certify that I:

Am not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any federal department or agency;

Have not been convicted of or had a civil judgment rendered against me for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction, for violation of federal or state antitrust statutes or for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

Am not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local, with commission of any of the offenses above; and,

Have not had any public transactions (federal, state or local) terminated for cause or default during the three years prior to their application.

Date: _____

Signature

Douglas-Cherokee Economic Authority, Inc. (DCEA)

Conflict of Interest Disclosure Form

Name: _____

Position (Employee, Board Member or Policy Council Member):

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest between DCEA and your personal interests, financial or otherwise:

_____ I have no conflict of interest to report

_____ I have the following potential conflicts of interest to report. If employed by other than Douglas-Cherokee, please list the name of your employer. In addition, please specify other nonprofit and for-profit boards you (or your spouse) sit on. Also list any for-profit businesses for which you or an immediate family member are an officer or director, or a majority shareholder, and the name of your employer and any businesses you or an immediate family member own:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____
- 7. _____
- 8. _____

I am _____ am not _____ a parent of a current or former Head Start child.

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by the Code of Conduct of Douglas-Cherokee Economic Authority, Inc.

Signature: _____

Date: _____

9.12 EMPLOYEE PARTICIPATION IN COUNCILS AND MEETINGS

Some employees may wish to participate in meetings, groups, councils, boards, clubs, committees, etc., as a representative of their program or DCEA. Participation by the employee must be approved in advance by the supervisor and the Executive Director. All requests should be made in writing on the Meeting Request form found in the Appendix.

9.13 REQUESTS for FUNDS

Employees of the Agency who request funds, personnel, or other benefits for the Agency from units of government, agencies, or other organizations must do so only under the direction of the Executive Director.

9.14 OUTSIDE EMPLOYMENT

Outside employment (that which is in addition to employment with DCEA) is subject to the following conditions:

- A. Such employment cannot constitute a conflict of interest with the employee's duties with DCEA.
- B. Such employment cannot interfere with the efficient performance of the person's duties as a DCEA employee.
- C. Such employment cannot involve the performance of duties which the employee should have performed as part of his/her employment with DCEA.
- D. Such employment cannot occur during the employee's regular DCEA working hours, unless approved by the Executive Director.

Failure to abide by this policy will bring immediate suspension without pay for up to five working days, during which the employee will be allowed to rectify the situation. If the situation is not brought in line with this policy during this period, the employee will be terminated.

9.15 OTHER RESTRICTIONS

To ensure orderly operations and provide the best possible work environment, DCEA expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization. It is not possible to list all forms of behavior that are considered unacceptable in the workplace and this list is not exhaustive. Other reasons may be grounds for discipline, up to and including discharge. The activities listed below are prohibited and are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment. Any employee engaging in one of these actions could be subject to disciplinary action, including dismissal.

- A. Unauthorized possession of firearms or explosive materials while on the job or while on DCEA premises.
- B. Failure to observe posted safety rules and regulations.
- C. Smoking in areas designated "No Smoking."
- D. Fighting, threatening violence in the workplace, or disorderly conduct while on the job or while on DCEA premises.
- E. Drinking or being under the influence of alcohol or illegal drugs while on the job or while on DCEA premises. Possession, distribution, sale, transfer, or use of alcohol or illegal

- drugs in the workplace, while on duty, while on DCEA premises, or while operating employer-owned vehicles or equipment.
- F. Gambling on DCEA premises or while on the job.
 - G. Submission of false or fraudulent service reports, time or mileage records, or any other report or records, or information on employment applications or resumes.
 - H. Refusal to accept instructions including failure to perform work assigned and neglect of duties.
 - I. Sleeping on the job.
 - J. Violation of the corporal punishment/improper isolation rule.
 - K. Head Start / Early Head Start, and other programs which have similar regulations, require staff who are convicted of child abuse, child sexual abuse and/or child neglect during their employment with DCEA or previous to their DCEA employment.
 - L. Misappropriation of Agency funds.
 - M. Insubordination to supervisor.
 - N. Theft or inappropriate removal or possession of property.
 - O. Excessive absenteeism.
 - P. Unauthorized use of telephones, mail system or other employer-owned equipment.
 - Q. Unauthorized disclosure of confidential information.
 - R. Unsatisfactory performance or conduct
 - S. Failure of drug screen.
 - T. Violation of Employee Handbook or Code of Conduct.
 - U. Participating, in connection with the performance of their duties, in any form of picketing, protest or other direct action that is in violation of law.

9.16 ALCOHOL and DRUG POLICY

Douglas-Cherokee Economic Authority, Inc., is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any Douglas-Cherokee employee illegally uses drugs on or off the job, comes to work under their influence, possesses, distributes or sells drugs in the workplace or abuses alcohol on the job. Therefore, each employee is required to sign the agency policy regarding drug-related activity in the workplace during the orientation process.

It is the policy of Douglas-Cherokee Economic Authority, Inc., to prohibit the unlawful manufacture, distribution, dispensation, possession or use of illegal drugs, narcotics and/or alcoholic beverages on Agency premises. Any employee violating this standard shall be subject to discipline up to and including discharge.

Employees will be tested for drugs and alcohol after an on-the-job accident which requires medical attention. Employees who refuse to submit to a drug or alcohol test will be subject to disciplinary action, up to and including discharge. Drug testing is a requirement for any employees who drive Head Start buses as a part of maintaining their CDL.

As a condition of employment at DCEA all employees will agree to abide by this standard and to notify the Agency of any criminal drug statute conviction no later than five (5) days after such conviction.

Any employee reporting to work under the influence of drugs, narcotics or alcohol is not to be permitted to enter DCEA premises. Any employee discovered to be under the influence while on the job will be required to leave the premises.

Substance abuse services are available through many insurance plans, including DCEA's health insurance plan. Some programs require drug and alcohol screens prior to and during program employment and participation.

9.17 NO-SMOKING POLICY

Douglas-Cherokee Economic Authority is strongly committed to maintaining and improving the health and well-being of all employees. It is, therefore, the agency's policy that employees have the right to work in an environment free of the hazards of tobacco smoke. It is the policy of the agency that we will provide a smoke-free working environment. Smoking is not permitted inside any Agency facility or vehicle. Clients and non-employee visitors to private work areas should be requested to honor the no smoking policy.

9.18 HARASSMENT

We expect every person at Douglas-Cherokee Economic Authority to be treated with fairness, respect and dignity. Accordingly, any form of harassment related to an individual's race, color, sex, religion, national origin, age, veteran status, or disability is a violation of this policy and will be treated as a disciplinary matter.

For these purposes, the term harassment includes slurs and any other offensive remarks, jokes, graphic material, or other offensive verbal, written, or physical conduct.

Unwelcome sexual advances, requests for sexual favors, and any other unwelcome or unbecoming verbal or physical conduct will not be tolerated. Neither submission to nor rejection of such conduct will be used as a basis for employment decisions.

Douglas-Cherokee Economic Authority is committed to maintaining a safe and healthy work environment and takes all appropriate health and safety precautions consistent with current medical knowledge. Accordingly, employees may not refuse to work with, cooperate with, withhold services from or otherwise harass, intimidate, demean or isolate a co-worker because of a known or suspected disability or disease or because of a co-worker's association with a person with a disability or disease.

If you have any question about what constitutes harassing behavior, please ask your supervisor or contact the Human Resources Director for clarification.

We will take all steps necessary to prevent any form of harassment from occurring. All supervisors and managers are informed of this policy and have been instructed as to what constitutes proper and improper behavior. We are prepared to promptly take steps necessary to enforce this policy.

Violation of this policy by any employee will subject that employee to disciplinary action, up to and including dismissal. If you feel that you have been a victim of harassment by a coworker, member of management, vendor, visitor, or customer of this organization, or if you become aware of such behavior around you, you are to contact your supervisor, the Human Resources

Director, or any member of management with whom you feel comfortable discussing your concern.

Douglas-Cherokee Economic Authority will promptly investigate all complaints and will endeavor to handle these matters expeditiously and in a professional manner so as to protect the offended individual and other individuals providing relevant information. While DCEA will strive to maintain the highest degree of confidentiality possible, it may be necessary for DCEA to interview individuals who may have relevant knowledge of the facts underlying a complaint. When the situation is fully understood by management, prompt and appropriate action will be taken where warranted. Douglas-Cherokee Economic Authority absolutely will not tolerate any retaliation against anyone for stepping forward with a concern regarding any type of harassment.

9.19 TRAVEL & VEHICLE USAGE

Travel Reimbursement will be in accordance with the current applicable state travel regulations. All agency programs will abide by the State of Tennessee Comprehensive Travel Regulations with the exception of #36 concerning per diem reimbursement. Any meals provided in any training or conference will not be reimbursed. Continental breakfasts or receptions will not count as a meal. Please refer to the state travel regulations which may be found at <http://www.tn.gov/finance/act/documents/policy8.pdf>. Additional travel forms are on the DCEA website, douglascherokee.org.

There are some positions within the Agency which require employees to drive vehicles on the job. All employees who drive vehicles as a part of their job are expected to maintain a valid driver's license for the state in which they live and are expected to maintain a safe vehicle when they drive their own vehicles for work purposes. Employees must also provide evidence of current automobile insurance at the first of each year, beginning 1-1-10. It is the responsibility of the employee to notify their supervisor if they no longer have a valid driver's license or insurance. Refer to Sec. 3.9 for additional requirements for employees who drive Agency owned vehicles.

Employees may not drive their own vehicles for work purposes during work time if they do not have liability insurance on their vehicle and a valid driver's license.

Only Agency employees may drive Agency owned vehicles. The vehicles may be used only for appropriate program use. Refer to Sec. 3.9 for additional requirements for employees who drive Agency owned vehicles.

9.20 TELEPHONE USAGE

All long distance calls are coded to the appropriate departmental code on the DCEA telephone system. All calls pertaining to Agency business must be charged to DCEA's business number.

All long-distance telephone calls charged to a DCEA number must be directly related to agency business. Long-distance calls concerning an employee's personal business must be charged to the employee's home telephone number.

Program Directors are expected to have cell phones capable of voice mail, (either personal or work supplied) active during work hours and to check it periodically during off duty.

Agency furnished cell phones are to be used for business purposes only. Executive Director approval is required before acquiring agency cell phones.

9.21 INVENTORY and RESTRICTIONS on PROPERTY

All property with a unit cost in excess of \$5,000 purchased with federal funds is classed as federal property and subject to federal regulations in regard to its use, transfer, and repayment for loss or damage. Likewise, all property with a unit cost in excess of \$5000 purchased with state funds is classified as state property and subject to state regulations in regard to its use, transfer and repayment for loss or damage. All property is to be used for its intended purpose. The Program Director must approve any alteration or removal of property from the assigned location and is responsible for all property shown on the inventory. The Executive Director must approve disposal of capitalized property.

A capitalized property inventory will be maintained by the Agency. This inventory will be organized by program and funding source. The capitalized property inventory will be reviewed and updated at least every other year.

9.22 LISTING of NON-CONSUMABLE ITEMS

A listing of non-consumable items (desks, storage buildings etc.) will be maintained on items with unit cost exceeding \$500. Items with lower unit costs may be listed at the discretion of the Program Director or the accounting office.

Each Program Director is responsible for updating the Central Office listing for these non-consumable property or sensitive minor equipment items. The information will be entered into a computerized file in the accounting office. Program directors are responsible for reconciling their listing to reflect items purchased and/or disposed of during the fiscal year. Reconcilements should be performed at least annually. Program directors are responsible for all items listed on the non-consumable equipment listing.

Should a program no longer need an item on their listing, the accounting office should be notified. Program Directors should not authorize transfer to any person or program. A listing of these items will be maintained. Before purchase of non-consumable items, the listing of items available for transfer should be checked.

9.23 PURCHASE of PROPERTY and SERVICES

Materials, equipment and services purchased must be necessary for the efficient and effective operation of the Agency and cannot be for an employee's personal use. Materials, equipment and services must be purchased in accordance with the agency's purchasing procedures.

Any purchase made or cost incurred without proper authorization may be regarded as indebtedness against the individual making or authorizing the purchase.

9.24 WHISTLEBLOWER POLICY

Douglas-Cherokee Economic Authority, Inc. (DCEA) is committed to lawful and ethical behavior in all of its activities and requires employees and Board members to act in

accordance with all applicable laws, regulations and policies and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

This policy is intended to encourage and enable employees and Board Members to raise serious concerns within the organization for investigation and appropriate action. With this goal in mind, no person who, in good faith, reports a concern shall be threatened, discriminated against or otherwise subject to retaliation or adverse employment consequences as a result of such report. A person who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including dismissal. Any whistleblower who believes he/she is being retaliated against should contact the Fiscal Officer or the Chairperson of the Finance Committee of the Board of Directors immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

A whistleblower as defined by this policy is an employee or Board Member of Douglas-Cherokee Economic Authority, Inc. (DCEA), who reports an activity that he/she considers to be illegal, fraudulent, dishonest or in violation of the Code of Conduct. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures.

The types of concerns that should be reported include, for purposes of illustration and without being limited to, the following:

- providing false or misleading information on the Agency's financial documents, grant reports, tax returns or other public documents;
- providing false information to or withholding material information from the Agency auditors, accountants, lawyers, directors or other representatives responsible for ensuring Agency compliance with fiscal and legal responsibilities;
- embezzlement, private benefit or misappropriation of funds;
- material violation of Agency policy, including among other, confidentiality, conflict of interest, whistleblower, ethics and document retention;
- discrimination based on race, gender, sex, disability, age;
- concealing any of the above or similar actions.

If an employee has knowledge of or a concern of illegal or dishonest fraudulent activity, or a suspected activity, the employee should contact the Fiscal Officer or the Chairperson of the Finance Committee of the Board of Directors. The names are listed on the DCEA website at www.douglascherokee.org under the tabs for "Board of Directors" and "Administration".

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the matter raised is a serious violation of law or policy or a material accounting or auditing matter. The act of making allegations that prove to be unsubstantiated and that prove to have been made maliciously, recklessly, with gross negligence or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the position.

Whistleblower protections are provided in two important areas – confidentiality and against retaliation. Insofar as possible, the confidentiality of the whistleblower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense.

The Chairperson of the Finance Committee and the Fiscal Officer are responsible for investigating and coordinating corrective action. If the Fiscal Officer and/or the Chairperson of the Finance Committee are involved in the allegation, the Executive Director (or the person designated by the Executive Director), and/or the Chairman of the Board, will take the place of the Fiscal Officer in the investigation. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation. The investigation will follow the specific steps listed in the Fraud Policy section of the DCEA Accounting and Financial Policies and Procedures Manual. DCEA will not disclose the results of the investigation to anyone other than those who have a legitimate need to know.

9.25 ID Badge Policy

DCEA employees will be issued an identification badge during orientation. Each employee is required to wear the identification badge in plain view at any time you are representing the Agency outside your normal office. Some examples are when making a home visit, when representing the Agency in a meeting or if your workplace is not a DCEA facility, such as a school.

If your ID badge is lost or stolen, you must obtain a replacement through the Human Resources Department. Upon termination, employees will be required to return ID badges to Human Resources.

SECTION 10 - EMPLOYEE EVALUATIONS

10.1 INTRODUCTION

This section applies to administrative staff, supervisory staff, and non-administrative staff. The employee's strengths, weaknesses, and necessary improvements are discussed in each evaluation. Evaluations are confidential and must be treated as such by supervisors and employees.

10.2 EVALUATORS

Each employee will be evaluated by their supervisor. If an employee has more than one immediate supervisor, each of these persons must participate in the entire evaluation process. If the administrative staff feels it is necessary, additional supervisory staff may be involved in an employee's evaluation. The Executive Director will evaluate the Fiscal Officer, the Human Resources Director and all Program Directors. The Board Chairperson will evaluate the Executive Director.

Evaluations for program staff must be approved by the Program Director. If the Program Director is preparing the evaluations, they must be approved by the Executive Director.

10.3 SCHEDULE

Employees who are in their orientation period are evaluated after six months in the position. Supervisors should also hold frequent formal and informal conferences with employees during the orientation period. The evaluation should include instructions on the improvements required to remain in the position. The six-month evaluation is used as the basis for the

decision to place the employee on regular status, terminate the employee or place the employee on disciplinary probation. Employees on regular status are evaluated at least once per year, on the anniversary of the six-month evaluation or other date as deemed appropriate by administrative staff. Annual evaluations are used to keep employees informed of their progress, point out changes in job performance, and recommend improvements. If administrative staff feels that it is necessary, employees may be evaluated more frequently.

Employees on disciplinary probation may be evaluated monthly. These evaluations will be used to determine if the employee is to return to regular status or be dismissed. Supervisors will also hold frequent formal and informal conferences with employees on disciplinary probation to prepare the employee for these evaluations. Employees who are in the orientation period or on disciplinary probation may be evaluated before the end of their orientation/probationary period if the administrative staff determines the necessity.

10.4 PROCESS OF EVALUATION

- A. The evaluation form (found on the DCEA website) used will measure the employee's work habits, relationship to clients and staff, and performance of the job duties. The form will allow the employee to agree or disagree with each rating and to write comments in response to the evaluation. Administrative staff is responsible for developing evaluation forms for each job within the Agency. The Human Resources Director must approve each form before it is used.
- B. The supervisors performing the evaluation will meet privately to prepare the evaluation. Before this meeting, information pertinent to the evaluation will be collected from the employee and the employee's staff, colleagues, and clients, if these contacts can be made with minimal cost and inconvenience. The supervisors will use responsible judgment in determining the information to be included in the evaluation. The supervisors will agree on the items included in the evaluation. Both strengths and weaknesses will be discussed in each evaluation.
- C. Any recommendations to change an employee's salary or status must be approved by the Executive Director before the conference with the employee.
- D. The supervisor should meet personally with the employee and discuss the evaluation in detail. The employee will be asked to agree or disagree with each rating and to write comments in response to the evaluation if desired. Supervisors are responsible for maintaining a productive atmosphere in all evaluations, and employees being evaluated are encouraged to approach the evaluation with an open mind and a willingness to learn and improve their job performance.
- E. After the discussion, the supervisor will sign and date the evaluation. The employee will also be asked to sign the evaluation, to acknowledge that the evaluation has been discussed and that its contents are understood. The employee will be given a copy of the evaluation, and the original will be filed in the employee's personnel file. If an employee refuses to sign the evaluation, the supervisors present will act as witnesses. They will sign and date the evaluation as proof that the discussion was held. The fact that the employee refused to sign the evaluation and the reasons for this refusal will be

noted on the evaluation. Employees will have five (5) working days to comment on the evaluation in writing if they choose to do so.

- F. If the employee corrects a problem discussed in an evaluation, this change will be noted in the next evaluation or in a memorandum to the employee (with a copy to the personnel file).

SECTION 11 - DISCIPLINARY PROCEDURES

11.1 INTRODUCTION

Disciplinary action is a process for dealing with job-related behavior that does not meet expected and communicated performance standards. The purpose is to assist the employee to understand that a problem or an opportunity for improvement exists. Action should be consistent with the seriousness of the violation.

Disciplinary action can begin at any step in the procedure if the Executive Director feels that the nature of the violation justifies a change from the normal disciplinary procedures. Depending on the situation, any step may be repeated, omitted, or taken out of sequence. Each case is considered on an individual basis. Program Directors should consult with the Executive Director if they are facing a disciplinary situation that they believe warrants deviation from the policy. All formal disciplinary actions should be conducted in the presence of a supervisor and a witness. Copies of all warnings, reprimands and disciplinary actions should be placed in the employee's personnel file.

Every disciplinary action should be clear and direct communication between the employee and his/her immediate supervisor. This communication should include a meeting between the employee and the supervisor to discuss the nature of the problem and how it affects the department's operations. During the meeting, the supervisor should make it clear to the employee that there are specific performance/behavioral expectations, he/she has failed to meet the outlined expectations, and a corrective action is being issued. It should also be clearly established what the employee must do within a defined time period to avoid more serious disciplinary actions.

All disciplinary actions should be documented in writing and should contain the signatures of the supervisor, the employee and the date. The documentation should include specifics of the problem, steps necessary to correct the problem, a time frame for correcting the problem, and further steps which will be taken if the problem is not corrected. For steps 2 through 5, the original document should be placed in the employee's file.

The employee's signature on the documentation of the disciplinary action does not indicate agreement with the action taken, it acknowledges receipt of the action. If the employee refuses to sign, it should be noted by the supervisor that a copy was given to the employee but he/she refused to sign.

The supervisor should hold periodic follow-up conferences with the employee to discuss the employee's progress. If the warning is not part of a performance evaluation and is not followed

by the next step within six months, the warning will not be used for further disciplinary action. If the employee corrects a problem discussed in the evaluation, the changes will be noted in the next evaluation or in a memorandum to the employee (with a copy to the personnel file).

11.2 TYPES OF ACTION

Steps in the disciplinary system may include these:

- Step 1 - Counsel the employee about performance and ascertain his/her understanding of requirements. Discuss and investigate the issue/problem and discuss the appropriate solution with the employee. Ascertain whether there are any issues contributing to the poor performance or behavior that are not immediately obvious to the supervisor.
- Step 2 - Verbally reprimand the employee for the performance/behavioral problem.
- Step 3 - Provide a written warning for the problem.
- Step 4 - Suspension or disciplinary probation.
- Step 5 - Termination.

11.3 SUSPENSION

An employee may be suspended for one to five working days, or part of a day, with or without pay. The Program Director or other supervisory administrative staff will impose suspension, and the Executive Director must be notified. Two suspensions are grounds for dismissal.

The Executive Director may place an employee on administrative leave for up to 30 days with or without pay, when it is determined by the Executive Director that it is in the best interest of the agency to do so.

11.4 DISCIPLINARY PROBATION

The Executive Director must approve disciplinary probation in advance. Disciplinary probation may last up to 90 days. The employee will be evaluated monthly while on disciplinary probation. Employees are not allowed to take annual leave while they are on disciplinary probation. (Refer to 8.3E)

- A. An employee is placed on Disciplinary Probation if their job related behavior does not meet expected and communicated performance standards. This probation will be for not more than 90 days. This status will be reflected on a Personnel Action Form.
- B. During the Disciplinary Probation period, the employee's immediate supervisor, the Program Director, and any other of the employee's supervisors chosen by the Program Director will hold conferences frequently with the employee to discuss improvements in job performance. Written evaluations will be performed at least monthly while an employee is on Disciplinary Probation.
- C. The employee's evaluation at the end of the Disciplinary Probation period will be submitted to the Executive Director prior to its being discussed with the employee. Based on the recommendation of the Program Director or other applicable supervisory personnel, the Executive Director will take one of the following actions concerning the employee and the action will be recorded on the written evaluation and on a Personnel Action Form:

1. transfer to regular status, if the employee's job performance has improved enough to be satisfactory and if the person's continued employment with the agency is desirable, or
 2. dismissal, if the employee's job related behavior has not improved to a satisfactory level.
- D. An employee on Disciplinary Probation may be terminated before the end of the probationary period if there is sufficient documentation that the employee's continuation in the position is detrimental to the Agency.
- E. Employees are not eligible to take annual leave while on disciplinary probation (see Sec. 8.3F). An employee who is placed on disciplinary probation during the year and is unable to take their earned annual leave prior to the end of the calendar year, may request to carry over the unused annual leave into the following year. The employee should make a request to their immediate supervisor and Program Director. Each program should review the request on a case by case basis, and must work with the employee to develop a plan as to when the leave will be taken. The Executive Director must approve the request. Any annual leave carried into the following year and not taken by the end of the year will be lost.

Please refer to Section 4 for allowances and restrictions during disciplinary probation.

SECTION 12 - EMPLOYEE COMPLAINT PROCEDURE

Your complaints or problems are a concern to the Agency. It is the policy of DCEA to hear employee problems or complaints and to give full consideration to them. If you follow these steps, no one will criticize or penalize you in any way. Remember, the only way we can help you answer your questions or solve your problems is for you to tell us about them. This procedure also does not preclude compliance with Head Start / Early Head Start regulations. This procedure cannot be used for matters related to hiring, termination, promotion, demotion, evaluations or discipline.

In order for the complaint process to work properly, the complaint should include your name, names of the persons involved and the details of the complaint. Please be advised that every attempt will be made to maintain the highest level of confidentiality possible with the information provided. Any complaint that is not filed or processed in accordance with the policy may not be considered. The Agency discourages bypassing the steps and strongly discourages going directly to the Board of Directors with a complaint. Anonymous information or unsigned letters given to the Board of Directors will not be given consideration. (The exception is for complaints regarding harassment and discrimination; please refer to Section 9.18 for guidance concerning those types of complaints).

1. If you have a complaint to make or if you feel that any action by your employer or supervisor is unjust, go to your immediate supervisor about it. Be sure to talk with your

supervisor within two (2) consecutive workdays. If the problem or complaint you have is with your supervisor, you may omit Step 1 and go directly to Step 2.

2. If you have not received a satisfactory answer from your immediate supervisor, you will be allowed five (5) working days to refer your problem in writing to your Program Director. Your Program Director will give you an answer within five (5) working days of receiving the written complaint.
3. If you are not satisfied with the recommendation provided by your Program Director, you will have an additional five (5) working days to request an appointment for a personal interview with the Executive Director, along with the Human Resources Director, who will discuss the problem with you and review all aspects of it thoroughly. The Executive Director will respond within five (5) working days of the personal interview. Any decision rendered by the Executive Director must be regarded as final and binding.

Please remember that the purpose of this complaint procedure is to provide an opportunity to clear up any problems or complaints.

SECTION 13 - TERMINATION

13.1 RESIGNATION

When an employee resigns from a job with DCEA, a written resignation should be submitted to the appropriate administrative staff member. The resignation should give the date it is to be effective, which should be 15-30 calendar days from the date the resignation is submitted. A separation notice should be given to the employee, and a Personnel Action Form will be processed. Annual leave will be paid as explained in Section 8.3. An administrative staff member will complete an exit interview with the employee. Documentation will be kept, and these items will be covered:

1. Discussion of the reason for the resignation;
2. Discussion of the status of the job the employee is leaving, including what work needs to be done and suggestions for improvement;
3. Submission of reports;
4. Collection of all equipment and supplies belonging to DCEA, such as keys, manuals and desk supplies;
5. Discussion of conversion to an individual health and life insurance policy and conversion of retirement benefits;
6. Other topics that are necessary for the individual position.

Employment ends on the last day of active work.

13.2 DISMISSAL

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Some violations of rules may cause the Executive Director to decide that immediate dismissal is necessary without going through the

normal disciplinary procedures. Please refer to the list under Section 9.15 for reasons which could lead to dismissal.

Other reasons for dismissal are also possible. The steps in the above procedures may be changed at any time and begin at any step, if the Executive Director feels the nature of the violation justifies a change from the normal disciplinary procedures. The decision of the Executive Director concerning dismissal is final. Employment ends on the last day of active work.

A separation notice should be given to the employee, an exit interview conducted and a Personnel Action Form should be processed. Annual leave will be paid as explained in Section 8.3.

13.3 LAY-OFF

A. General

A lay-off or reorganization may be necessary because of lack of work or funds. Types of lay-off are:

- reduction in force (RIF) and reorganization
- closing of program
- Lay-off option explained in Section 2.2F

The decision to lay-off employees will be made by the Executive Director. The Policy Council will also approve the lay-off of Head Start / Early Head Start employees, except for the summer lay-off (under the Lay-off Option), which is automatic. Except for employees hired under the Lay-off option in Section 2, persons laid off for more than 66 working days who desire additional employment with Douglas-Cherokee Economic Authority will follow the hiring procedure for new employees. Annual leave will be paid as explained in Sec. 8.3. Employment ends on the last day of active work.

B. Reduction in Force and Reorganization

A reduction in force or reorganization will apply when funds or work are reduced requiring the lay-off of persons in positions funded by a grant program or within the administrative staff. These procedures will not apply to temporary employees.

The Executive Director and other appropriate staff members will draft a plan concerning the affected area and positions to be abolished. All employees in the affected jobs will be notified. They will be considered for other positions within the agency, if available. A separation notice will be given to each employee and a Personnel Action Form will be processed.

13.4 RETIREMENT

A separation notice should be given to the retiring employee, an exit interview **provided** and a Personnel Action Form should be processed. Annual leave will be paid as explained in Section 8.3. If a retirement plan is available the process for obtaining these benefits will be explained. TCRS member employees who terminate due to retirement shall have all unused accumulated sick leave credited toward retirement. Employment ends on the last day of active work.

Retirement gifts are presented to employees who retire from DCEA according to the schedule below. These awards apply only to continuous years of service and are given subject to the availability of program funds.

Ten to Twenty Years of Service with Douglas-Cherokee. A gift may be presented to the employee. The cost of the gift is not to exceed \$100.00.

Twenty to Thirty Years of Service with Douglas-Cherokee. A gift may be presented to the employee. The cost of the gift is not to exceed \$250.00.

Thirty or More Years of Service with Douglas-Cherokee. A gift may be presented to the employee. The cost of the gift is not to exceed \$500.00.

This policy does not apply to temporary employees or to substitutes. Any function for an employee retiring with less than 10 years of service will be paid for at the expense of the program (where program funds will allow) or by the employees of that program.

13.5 DEATH

If the death of an employee should occur, the agency will work with the family to make sure that paychecks are handled properly and that the proper documents are filed for the employee's family to receive death benefits, if applicable. Annual leave will be paid to the employee's estate under the guidelines in Section 8.3.

APPENDIX A – POLITICAL ACTIVITY

CAPLAW REPORT

CAPLAW -Community Action Program Legal Services, Inc.

(The information below is reprinted directly from CAPLAW and gives information on political activity for employees of Community Action Agencies.)

CAPLAW Legal Updates A continuing series of reports on current legal issues of interest to community action agencies

Political Activity and the Community Action Agency -October, 1999

By Anita Lichtblau, Esq, CAPLAW Legal Counsel

With recent changes in the Community Services Block Grant (CSBG) Act, many Community Action Agencies (CAAs) and their employees have questions about how to engage in political activities such as running for political office and participating in election campaigns and political party activities within the limits of the law. This article addresses those questions by presenting both a quick outline of allowable political activity and a more detailed outline of relevant political activity laws.

I. Quick Outline of Allowable Political Activity

All CAA Employees May:

- Vote as they wish
- Express their personal opinions on political subjects and candidates

- Be a candidate in a nonpartisan election, so long as campaign-related activities are conducted during non-work hours, off CAA premises, and without direct or indirect financial or other CAA support
- Participate as private citizens in partisan or nonpartisan political campaigns (but not as a candidate in a partisan election), political party activities, including making political contributions and campaign fund raising, so long as:
 - activities are conducted during non-work hours, off CAA premises, and without direct or indirect financial or other CAA support
 - activities are not conducted on behalf of or identified with the CAA or the individual's status as a CAA employee
 - employee does not solicit campaign contributions from other employees covered by the Hatch Act (see below) whom s/he supervises; or directly or indirectly coerce, command or advise others covered by the Hatch Act to make political contributions

CAA Employees Who Do Not Work On Any Programs Funded by CSBG or Head Start / Early Head Start May Also:

- Be a candidate in a partisan election, so long as campaign-related activities are conducted during non-work hours, off CAA premises, and without direct or indirect financial or other CAA support
- Solicit or advise others, including other employees covered by the Hatch Act, to make political contributions, so long as:
 - it is done in his or her capacity as a private citizen, and not on behalf of the CAA or as a CAA employee;
 - it is not done during work hours, on the CAA premises, or using CAA funds or facilities.

CAA, as an Organization, May:

- Conduct strictly nonpartisan political activities but only with nonfederal, unrestricted funds (unless prior approval is received from funding source for such use of federal funds) and only if such activities are not blinded by CSBG, Head Start / Early Head Start or JTPA nor supported by or identified with any program receiving CSBG or Head Start / Early Head Start funds. Such nonpartisan political activities may include:
 - neutral candidate debates:
 - invite all legally qualified candidates;
 - questions should be prepared and presented by nonpartisan, independent panel;
 - show no preference or support for one candidate over another through questions, comments or otherwise;
 - cover broad range of topics, not just those of special interest to CAA;
 - give each candidate equal opportunity to present views.
 - neutral voter education, for example, voter guides:
 - do not rate the legislators;
 - do not endorse any legislators;
 - provide voting records on a wide variety of issues, not just those with which your CAA is most concerned;

- publish voter guide on a regular basis, not just during an election, if published during election campaign, it should be published in same manner as at other times and include all legislators, not just those running for reelection;
 - do not use any language that suggests support for one legislator or political party over another, or states the CAA's position on the voting records.
- neutral voter registration and get out the vote campaigns

Note: The determination of whether a particular activity is considered "neutral" is a difficult one. Please consult a knowledgeable attorney for advice with respect to a particular political activity which you intend to conduct

II. Political Activity Laws and Regulations

A. Hatch Act - Political Activities of Employees

The 1998 amendments to the Community Services Block Grant (CSBG) Act reinstated the Hatch Act political activity restrictions, which had been removed in 1994. See 42 U.S.C. 9918(b), as amended. The Hatch Act has continuously applied to Head Start / Early Head Start employees. These restrictions, which can be found at 5 U.S.C. 1501 et seq., and 5 C.E.R. Part 151, limit the activities of individual employees, rather than of the CAA as an organization. Read on to the next section for rules about political activity by a CAA as an organization. Here's what CAAs and their employees need to know about the Hatch Act:

In a Nutshell, what Does the Hatch Act Prohibit?

- Being a candidate for public office in a partisan election
- Using your official authority or influence for the purpose of interfering with or affecting the results of an election or a nomination for office
- Directly or indirectly coercing, attempting to coerce, commanding or advising a person covered by the Hatch Act to make political contributions

In a Nutshell, What Does the Hatch Act Permit?

- Being a candidate for public office in a nonpartisan election
- Voting as one chooses and expressing one's opinions on political subjects and candidates
- Engaging in any political activity not specifically prohibited by the Hatch Act (or any other law), including participating in and contributing money to political campaigns, subject to restrictions discussed below

Which CAA Employees Are Covered by the Hatch Act?

Any person whose principal employment is with a CAA in connection with an activity which is financed in whole or in part by federal loans or grants.

- "Principal employment" means the job in which a person spends more than half of her total work time and/or receives more than half of her total wages.
- The Office of Special Counsel, which enforces the Hatch Act (see below), has stated in a recent written advisory opinion that, as applied to CAAs or Head Start / Early Head Start agencies, only employees who work in connection with activities financed by CSBG or

Head Start / Early Head Start funds, rather than other federal funds, are covered by the Hatch Act.

- Therefore, a person whose principal employment is with a CAA, but whose salary is not paid with CSBG or Head Start / Early Head Start funds and who does not work in connection with any activities funded in whole or in part with such funds would not be covered by the Hatch Act. But don't forget that any activity which receives any CSBG or Head Start / Early Head Start funding, either direct or indirect, such as administrative support paid by CSBG, is considered federally-funded

This covers part-time CAA employees as well, as long as more than half of the employee's total work time and income (including both CAA and non-CAA employment) is in connection with federally- funded activities.

Even if some CAA employees are not covered by the Hatch Act, for purposes of treating all employees consistently and easing administrative burdens of differentiating between those employees who are and are not covered, or who may not be covered one year, but may be covered the next due to funding or organizational changes, it may make sense to impose Hatch Act restrictions on all employees.

Are CAA Board & Staff Members Who Are Not Employees Covered?

No, only employees are covered. However, if the Board member is a state or local employee whose principal employment is in connection with a federally-funded activity, he or she may be covered in that capacity.

Are other Organizations Which Receive CSBG or Head Start / Early Head Start Funds, Such As CAA State Associations, Covered?

Yes, but only partially. Employees of organizations which "assume responsibility for planning, developing, and coordinating [CSBG or Head Start / Early Head Start] activities," such as CAAs, are subject to all of the restrictions discussed in the sections below.

However, employees of other organizations, such as state CAA associations, which receive CSBG and/or Head Start / Early Head Start funds but do not coordinate CSBG or Head Start / Early Head Start activities, are subject to only some of those restrictions. They **may not:**

- Use their official authority or influence to interfere with or affect the result of a partisan election or nomination for office
- Directly or indirectly coerce, attempt to coerce, command, or advise others covered by the Hatch Act to make political contributions

Employees of organizations which receive CSBG or Head Start / Early Head Start funds but do not coordinate CSBG or Head Start / Early Head Start activities are not subject to the Hatch Act's prohibition on being a candidate for public office in a partisan election. Such employees may be candidates in either partisan or nonpartisan election for public office.

What Is the Scope of the Hatch Act Rules As Applied to CAA Employees?

The Hatch Act rules govern activities of a CAA employee regardless of whether the activity is conducted in or outside of work time or the work place. The rules also apply when a CAA employee is on leave of any type, including an unpaid leave of absence.

What Types of Political Activities Can Covered CAA Employees Do?

Running for office

- **Can** be a candidate for public office in nonpartisan election
 - "Nonpartisan election" in the Hatch Act context, means an election in which none of the candidates is nominated or elected as representing a party whose Presidential candidates received votes in the last preceding election at which Presidential electors were selected, for example the Republican or Democratic parties.
- **Cannot** be a candidate for public office in partisan election
 - Primary and run-off elections to nominate candidates of partisan political parties are partisan elections for purposes of the law even though no party designation appears on the ballot
 - "Partisan" or "nonpartisan" refers to the manner in which candidates are nominated or elected in a particular election, not to whether or not the candidates are themselves members or affiliated with a particular party. Therefore, a CAA employee who is a registered Democrat may still run for office in an election in which none of the candidates are nominated or elected as representatives of a particular party. However, if other candidates are nominated or elected as representing a particular party, the covered CAA employee may not run, even if he or she is not affiliated with any political party.
 - This prohibition extends not only to the campaign after the formal announcement of candidacy, but also to the preliminaries leading to the announcement and to canvassing or soliciting support or doing or permitting to be done any act in furtherance of the candidacy. It would not extend, however, to responding affirmatively to inquiries concerning whether the employee intends to become a candidate.
- **Can** continue to serve in office attained by partisan election if individual begins CAA employment after election, but **cannot** run for reelection while employed by CAA
- **Can** run for and hold office in political parties, clubs, and organizations
- **Can** run for and hold office in nonpublic organizations, such as professional groups, fraternal organizations, religious groups, etc.

Voting and Expression of Political Opinions

- **Can** vote as you choose
- **Can** express opinions on political subjects and candidates

Political Campaigns and Political Management

- **Can**, as individuals, take an active part in political campaigns in partisan or nonpartisan elections
- **Can** campaign for candidates by making speeches, writing letters, drafting speeches for candidates or soliciting voters to support or oppose candidates
- **Can** attend political meetings or rallies and may serve on committees that organize or direct activities at campaign meetings or rallies
- **Can** serve as a poll watcher
- **Can**, as individuals, take an active part in political management

Political parties, organizations or clubs:

- **Can** be members
- **Can** attend and participate in meetings and political conventions
- **Can** serve as delegates, alternates or proxies at conventions
- **Can** be candidates for and hold office in political party, club, or organization
- **Can** do volunteer work for partisan candidates, campaign committees, and other political party activities
- **Cannot** use their official authority or influence as CAA employees for the purpose of interfering with or affecting the result of a partisan election or nomination for office
 - The Office of Special Counsel views these prohibitions as principally affecting supervisors, such as requiring a subordinate to vote for a particular candidate as a condition for giving her a raise, but also applying to any covered CAA employee (even a non-supervisor) in dealings with other employees. The prohibition would also bar the use of official CAA authority to influence elections in dealings with non-employees, such as vendors, subgrantees, and clients.

Political Contributions

- **Can** make contributions, either financial or in-kind, to partisan or nonpartisan campaigns or political parties or organizations
- **Can** solicit and collect political contributions, but **cannot** directly or indirectly coerce, command or advise another covered CAA employee or a state or local employee covered by the Hatch Act (i.e. whose principal employment is in connection with a federally-funded activity) to make a political contribution in connection with a partisan election or other partisan political activity.

Note: The U.S. Merit Systems Protection Board (MSPB), which adjudicates actions brought by its Office for Special Counsel for enforcement of the Hatch Act, takes the position that any solicitation of funds from subordinates is inherently coercive and is therefore prohibited. Therefore, although it is theoretically possible for a CAA employee to noncoercively solicit a political contribution from a subordinate, such activity is subject to inquiry by the Office of Special Counsel; a safer course would be to ban all solicitation of campaign contribution from subordinate employees. As with any political activity in a gray area, a wise approach would be to seek a written advisory opinion from the Office of Special Counsel before engaging in the activity.

How is the Hatch Act enforced?

- The Office of Special Counsel investigates complaints of Hatch Act violations. Federal agencies providing funds to CAAs which believe that a Hatch Act violation may have occurred are required to report the matter to the Office of Special Counsel.
- If the Office of Special Counsel believes that an investigation is warranted, it will do so and present findings and any charges based on such findings to the MSPB.
- After a hearing in which testimony under oath may be taken and documents produced, the MSPB then determines whether a violation has occurred and if the violation warrants the removal of the employee from employment.

What is the penalty for Violation of the Hatch Act?

- If the MSPB finds the offense warrants dismissal from employment, the CAA must either:
 1. dismiss the employee, or

2. forfeit that portion of the federal assistance equal to two years of the employee's salary

B. CSBG Act Restrictions on CAA Political Activity

In addition to reimposing the Hatch Act restrictions on the political activities of individual CAA employees, the amended CSBG Act (42 U.S.C. 9918(b)(2)) also expands restrictions on political activities of the CAA itself. The new CSBG political activity restriction is identical to the existing restriction on political activity in Head Start / Early Head Start programs. Note also that programs funded by the Job Training Partnership Act (JTPA) also prohibit use of funds for political activity.

- A program assisted under the CSBG Act must **not be carried** on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner **supporting or resulting in the identification** of the program with:
 - Any partisan or nonpartisan political activity or any political activity associated with a candidate or contending group in an election for public or party office
 - Transportation of voters to the polls, or any similar assistance in connection with an election
 - Any voter registration activity
- The Act's use of the word "program," rather than "eligible entity," suggests that these restrictions do not apply to programs which do not receive any CSBG (or Head Start / Early Head Start or JTPA) funding or assistance. Therefore, if a CAA program receives no CSBG, Head Start / Early Head Start, or JTPA funding or support, including indirect administrative support funded with dollars from those programs, it should not be subject to the political activity restrictions.

However, if the CAA is a 501(c)(3) tax-exempt organization, it would still be subject to the Internal Revenue Code prohibition on partisan political activity and the general OMB Circular A-122 restrictions on use of federal funds for political purposes, both discussed below.

C. Political Activity Rules for Corporations (Federal Election Campaign Act)

Corporations, including non-profit, may not:

- contribute funds or in-kind value to a candidate in a federal election
- contribute funds to a Political Action Committee

D. Political Activity Rules for 501 (c)(3) Tax-Exempt Organizations (Internal Revenue Code)

501 (c)(3) tax exempt organizations **may not**

- pay any of the administrative costs of an affiliated political action committee
- coerce employees to make contributions, or be reimbursed for contributions they make
- participate or intervene, directly or indirectly (including the publishing or distributing of statements), in any political campaign on behalf of or in opposition to any candidate for any public office
 - includes federal, state, and local elections

- includes partisan (i.e. an election where at least one candidate represents a political party) and nonpartisan elections
- includes opposed and unopposed elections

In general, 501(c)(3) organizations:

- engage in nonpartisan candidate forums, voter education, voter registration, and get out the vote activities.

However, due to the CSBG, Head Start / Early Head Start, and JTPA restrictions discussed above (which prohibit partisan and nonpartisan political activities), as well as the OMB Circular A-122 restrictions (discussed below) on the use of federal funds for political activity, these activities must be funded from nonfederal, unrestricted funds (unless prior approval is received from funding source for such use of federal funds) and may not result in the identification of the political activity with CSBG or Head Start / Early Head Start programs. **Caution:** It may be difficult to segregate a CAA's activities so as to avoid identifying the political activity with these programs. Keep good records if you decide to conduct these nonpartisan political activities.

E. OMB Restrictions on Use of Federal Funds for Political Activity

Office of Management and Budget (OMB) Circular A-122 prohibits the use of federal funds for:

- attempts to influence the outcomes of any federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity
- establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections

F. How Do All of These Political Activity Rules Work Together? What's the Bottom Line?

Individuals: The bottom line is that individuals employed by CAAs may engage in most political activity, except as noted below, if they do so as individuals and not on behalf of the CAA, and on their own time without using federal funds or federally-funded resources. But CAA employees covered by the Hatch Act may not: 1) be a candidate in a partisan election; 2) coerce, advise or demand that other covered CAA employees make political contributions; 3) solicit political contributions from covered CAA employees whom they supervise (even if done in a noncoercive fashion); and 4) use their official authority or influence as CAA employees to interfere with or affect the result of a partisan election or nomination for office. These Hatch Act restrictions apply both in and out of the workplace and on and off work time. They do not apply to non-employee CAA Board & Staff Members.

CAA as an organization:

There are several key principles to remember:

- A 501 (c)(3) tax-exempt organization, such as a private CAA, may never support or oppose, directly or indirectly, any candidate for political office
- Federal funds may not be used to influence the outcome of elections, referenda, or initiatives, or to contribute to political parties, campaigns or PACs
- CSBG, Head Start / Early Head Start, and JTPA funds may not be used to support (including the assignment of personnel) any political activities

- CSBG and Head Start / Early Head Start funds may not be used for voter registration or transportation to the polls
- CAAs may conduct nonpartisan political activity, such as strictly neutral candidate forums, voter education activities, as well as politically neutral voter registration and voter transportation campaigns, but only with nonfederal, unrestricted funds (unless prior approval is received from funding source for such use of federal funds) and only if such activities are not supported by or identified with any program receiving CSBG or Head Start / Early Head Start funds.