

Town of Franklin
Personnel Policy Manual
EMPLOYEE HANDBOOK



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WELCOME

Welcome to the Town of Franklin! We are delighted that you have chosen to join our organization and hope that you will enjoy a long and successful career with us. As you become familiar with our culture and mission, we hope you will take advantage of opportunities to enhance your career and further the Town of Franklin's goals.

You are joining an organization that has a reputation for outstanding leadership, innovation, and expertise. Our employees use their creativity and talent to invent new solutions, meet new demands, and offer the most effective services. With your active involvement, creativity, and support, the Town of Franklin will continue to achieve its goals. We sincerely hope you will take pride in being an important part of the Town of Franklin's success.

Please take time to review the policies contained in this handbook. If you have questions, feel free to ask your supervisor or to contact the Human Resources (HR) department.

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PURPOSE OF THE EMPLOYEE HANDBOOK

This handbook is designated as the Town of Franklin's Personnel Policies. It is the purpose of these policies and rules and regulations set forth to establish a fair and uniform system of personnel administration for all employees of the Town under the supervision of the Town Manager. The Town Manager is the official appointing authority covered by these personnel policies. These policies are established under authority of NC General Statute §160A-164 and NC General Statute §126.

Employment at Will

Employment at the Town of Franklin is on an at-will basis unless otherwise stated in a written individual employment agreement signed by the Town Manager or in the case of the Town Manager, the Mayor.

This means that either the employee or the Town may terminate the employment relationship at any time, for any reason, with or without notice. The policy can be changed at any time by action of the Town Council.

Nothing in this employee handbook creates or is intended to create an employment agreement, express or implied. Nothing contained in this, or any other document provided to the employee is intended to be, nor should it be, construed as a contract that employment or any benefit will be continued for any period of time. In addition, no Town representative is authorized to modify this policy for any employee or to enter into any agreement, oral or written, that changes the at-will relationship.

Any salary figures provided to an employee in annual or monthly terms are stated for the sake of convenience or to facilitate comparisons and are not intended to and do not create an employment contract for any specific period of time.

Nothing in this statement is intended to interfere with, restrain, or prevent concerted activity as protected by the National Labor Relations Act (NLRA). Such activity includes employee communications regarding wages, hours, or other terms or conditions of employment. The Town of Franklin employees have the right to engage in or refrain from such activities.

EQUAL OPPORTUNITY AND COMMITMENT TO DIVERSITY

Equal Opportunity

The Town of Franklin provides equal employment opportunities to all employees and applicants for employment without regard to race, color, creed, ancestry, national origin, citizenship, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, religion, age, disability, genetic information, service in the military, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

The Town of Franklin expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is absolutely not tolerated.

The Town of Franklin will endeavor to make a reasonable accommodation of an otherwise qualified applicant or employee related to an individual's physical or mental disability, sincerely held religious beliefs and practices, and/or any other reason required by applicable law, unless doing so would impose an undue hardship upon The Town of Franklin's business operations.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the HR Director. The Town will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. Employees who feel they have been subjected to any such retaliation should bring it to the attention of the HR Director.

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- (1) Shunning and avoiding an individual who reports harassment, discrimination, or retaliation;
- (2) Express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination, or retaliation; or
- (3) Denying employment benefits because an applicant or employee reported harassment, discrimination, or retaliation or participated in the reporting and investigation process.

Other examples of retaliation include firing, demotion, denial of promotion, unjustified negative evaluations, increased surveillance, harassment, and assault.

Complaints of discrimination should be filed according to the procedures described in the Harassment and Complaint Procedure.

Americans with Disabilities Act (ADA) and Reasonable Accommodation

The Town of Franklin is committed to the fair and equal employment of individuals with disabilities under the ADA. It is the Town of Franklin's policy to provide reasonable accommodation to qualified individuals with disabilities unless the accommodation would impose an undue hardship on the Town. The Town of Franklin prohibits any harassment of, or discriminatory treatment of, employees or applicants based on a disability or because an employee has requested a reasonable accommodation.

In accordance with the ADA, reasonable accommodations will be provided to qualified individuals with disabilities to enable them to perform the essential functions of their jobs or to enjoy the equal benefits and privileges of employment. An employee or applicant with a disability may request an accommodation from the HR department and should specify what accommodation is needed to perform the job and submit supporting documentation explaining the basis for the requested accommodation, to the extent permitted and in accordance with applicable law. The Town then will review and analyze the request, including engaging in an interactive process with the employee or applicant, to identify if such an accommodation can be made, or if any other possible accommodations are appropriate. If requested, the employee is responsible for providing medical documentation regarding the disability and possible accommodations. All information obtained concerning the medical condition or history of an applicant or employee will be treated as confidential information, maintained in separate medical files, and disclosed only as permitted by law.

It is the policy of the Town of Franklin to prohibit harassment or discrimination based on disability or because an employee has requested a reasonable accommodation. The Town of Franklin prohibits retaliation against employees for exercising their rights under the ADA or other applicable civil rights laws. Employees should use the procedures described in the Harassment and Complaint Procedure to report any harassment, discrimination, or retaliation they have experienced or witnessed.

Commitment to Diversity

The Town of Franklin is committed to creating and maintaining a workplace in which all employees have an opportunity to participate and contribute to the success of the organization and are valued for their skills, experience, and unique perspectives. This commitment is embodied in Town policy and the way we do business at the Town of Franklin and is an important principle of sound business management.

Harassment and Complaint Procedure

It is the Town of Franklin's policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers, or employees by another employee, supervisor, vendor, customer, or third party based on actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth, and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information, or any other characteristic protected by applicable federal, state, or local laws. Such conduct will not be tolerated by the Town of Franklin.

Furthermore, any retaliation against an individual who has complained about sexual or other harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated. The Town of Franklin will take all reasonable steps necessary to prevent and eliminate unlawful harassment.

Definition of "unlawful harassment." "Unlawful harassment" is conduct that has the purpose or effect of creating an intimidating, a hostile, or an offensive work environment; has the purpose or effect of substantially and unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities because of the individual's membership in a protected class.

Unlawful harassment includes, but is not limited to, epithets; slurs; jokes; pranks; innuendo; comments; written or graphic material; stereotyping; or other threatening, hostile, or intimidating acts based on race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, veteran status, or another characteristic protected by state or federal law.

Definition of "sexual harassment." While all forms of harassment are prohibited, special attention should be paid to sexual harassment. "Sexual harassment" can include all of the above actions, as well as other unwelcome conduct, and is generally defined under both state and federal law as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature whereby:

- Submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of any individual's employment or as a basis for employment decisions.
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, a hostile, or an offensive work environment.

Other sexually oriented conduct, whether intended or not, that is unwelcome and has the effect of creating a work environment that is hostile, offensive, intimidating, or humiliating to workers may also constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwanted sexual advances, whether they involve physical touching or not;
- Sexual epithets; jokes; written or oral references to sexual conduct; gossip regarding one's sex life; comments about an individual's body; and comments about an individual's sexual activity, deficiencies, or prowess;
- Displaying sexually suggestive objects, pictures, or cartoons;
- Unwelcome leering, whistling, brushing up against the body, sexual gestures, or suggestive or insulting comments;
- Inquiries into one's sexual experiences; and
- Discussion of one's sexual activities.

All employees should take special note that, as stated above, retaliation against an individual who has complained about sexual or other harassment and retaliation against individuals for cooperating with an investigation of sexual or other harassment complaints violate the Town of Franklin's policy.

Complaint procedure. If an employee believes they have been subject to or have witnessed unlawful discrimination, including sexual or other forms of unlawful harassment, or other inappropriate conduct, they are requested and encouraged to make a complaint. They may complain directly to their immediate supervisor or department director, the HR director, or the Town Manager. The Town Council will address any grievance or employee concerns relating to the Town Manager or the Town Attorney. Similarly, if employees observe acts of discrimination toward or harassment of another employee, they are requested and encouraged to report this to one of the individuals listed above.

All complaints will be investigated promptly, and confidentiality will be protected to the extent possible. A timely resolution of each complaint should be reached and communicated to the parties involved.

If the investigation confirms conduct that violates this policy has occurred, the Town of Franklin will take immediate, appropriate, corrective action, including discipline, up to and including immediate termination.

No reprisal, retaliation, or other adverse action will be taken against an employee for making a complaint or report of discrimination or harassment or for assisting in the investigation of any such complaint or report. Any suspected retaliation or intimidation should be reported immediately to one of the persons identified above.

CONFLICTS OF INTEREST AND CONFIDENTIALITY

Conflicts of Interest/Ethical Conduct Expectations

The proper operation of Town government requires that public officials and employees be independent, impartial, and responsible to the people; that governmental decisions and policy be made in the proper channels of the governmental structure; that public office not be used for personal gain; and that the public have confidence in the integrity of its government.

As stewards of public resources and holders of the public trust, Town employees are expected to uphold the highest standards of ethical conduct while fulfilling their job duties and responsibilities.

The Town of Franklin expects all employees to conduct themselves and Town business in a manner that reflects the highest standards of ethical conduct and in accordance with all federal, state, and local laws and regulations. This includes avoiding real and potential conflicts of interests. All applicable laws prohibiting conflicts of interest (NC General Statute §§ 14-234.1, 14-234.2, 14-234.3 and 133-32) are minimum expectations for employee ethical behavior. This Employee Handbook and other applicable Town ordinances and policies apply higher standards.

Exactly what constitutes a conflict of interest, or an unethical business practice is both a moral and a legal question. The Town of Franklin recognizes and respects the individual employee's right to engage in activities outside of employment that are private in nature and do not in any way conflict with or reflect poorly on the Town.

It is not possible to define all the circumstances and relationships that might create a conflict of interest. If a situation arises in which there is a potential conflict of interest, the employee should discuss this with a manager for advice and guidance on how to proceed. The list below suggests some of the types of activities that indicate improper behavior, unacceptable personal integrity, or unacceptable ethics:

1. Simultaneous employment by another firm that is a competitor of or supplier to the Town of Franklin;
2. Carrying on Town business with a firm in which the employee, or a close relative of the employee, has a substantial ownership or interest;
3. Holding a substantial interest in, or participating in the management of, a firm to which the Town makes sales or from which it makes purchases;
4. Borrowing money from customers or firms, other than recognized loan institutions, from which our Town buys services, materials, equipment, or supplies;
5. Accepting substantial gifts or excessive entertainment from an outside organization or agency;
6. Speculating or dealing in materials, equipment, supplies, services, or property purchased by the Town;

7. Participating in civic or professional organization activities in a manner that divulges confidential Town information;
8. Misusing privileged information or revealing confidential data to outsiders;
9. Using one's position in the Town of Franklin or knowledge of its affairs for personal gains; and
10. Engaging in practices or procedures that violate antitrust laws, commercial bribery laws, copyright laws, discrimination laws, campaign contribution laws, or other laws regulating the conduct of Town business.

An employee who witnesses another employee engaging in an unlawful act on the job shall report that employee to the Human Resources Director or Town Manager.

Employees in certain departments may be subject to additional employee ethics as defined by professional organizations or job category.

Confidential Information

No Town official or employee shall unless otherwise provided by law, disclose confidential information concerning the property, government or affairs of the Town, nor shall he, under any circumstances, use such information to advance the financial or other private interest of himself or others.

RESPONSIBILITIES

Responsibility of the Town Council

The Town Council shall be responsible for establishing and approving human resources policies and rules, the classification and pay plan, and it may change the policies and benefits as needed. The Town Council shall also make and confirm appointments in accordance with state statutes.

The following appointments are required by law to be made by the Council:

Position Status Reference

Town Manager	G.S. 160A-147
Town Attorney	G.S. 160A-173
Tax Collector	G.S. 105-349

The Town Council will address any grievance or employee concerns relating to the Town Manager or the Town Attorney. In conjunction with the grievance policy, any grievance should be filed in writing, and submitted to the Mayor, within thirty (30) days of the date of incident giving rise to the grievance.

Responsibilities of the Town Manager

The Town Manager is accountable for the human resources system and its overall administration and direction. Upon delegation a human resources position will carry out certain responsibilities for the Manager, but final hiring, suspension and dismissal authority resides with the Manager as defined in G.S. 160A-148.

The Town Manager shall be responsible to the Town Council for the administration and technical direction of the human resources program. The Town Manager shall appoint, suspend, and remove Town employees except those whose appointment is otherwise provided for by law. The Town Manager shall make appointments, dismissals and suspensions in accordance with state statutes and other policies and procedures spelled out in other Articles in this Chapter.

The Town Manager shall:

- a) recommend rules and revisions to the personnel system to the Town Council for consideration;
- b) make changes as necessary to maintain an up to date and accurate position classification plan;
- c) prepare and recommend revisions to the pay plan to the Town Council for approval;
- d) determine which positions shall be subject to the overtime provisions of FLSA;
- e) develop and administer such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- f) periodically investigate the operation and effect of the Personnel Policy; and
- g) at his/her discretion, appoint a town personnel committee comprised of town staff.

Responsibilities of Human Resources Director

The responsibility of the Human Resources Director is to make recommendations to the Town Manager on the following:

- a) Recommend rules and revisions to the personnel system for consideration;
- b) Recommend changes as necessary to maintain an up to date and accurate position classification plan;
- c) Recommend necessary revisions to the pay plan;
- d) Recommend which positions shall be subject to the overtime provisions of FLSA;
- e) Maintain a roster of all persons in the Town service;
- f) Establish and maintain a list of authorized positions in the Town service at the beginning of each budget year which identifies each authorized position, class title of position, salary range, any changes in class title and status, position number and other such data as may be desirable or useful;
- g) Develop and administer such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;
- h) Develop and coordinate training and educational programs for Town employees;
- i) Periodically investigate the operation and effect of the Personnel Policy; and
- j) Perform such other duties as may be assigned by the Town Manager not inconsistent with this Policy.

Departmental Rules and Regulations

Due to the particular personnel and operational requirements of the various departments of the Town, each department is authorized to establish supplemental written rules and regulations applicable only to the personnel and operating procedures of that department. All such rules and regulations will be subject to the approval of the Town Manager and will not in any way conflict with the provisions of this policy but will be considered as a supplement to this policy.

EMPLOYMENT RELATIONSHIP

Employee Privacy

It is the Town of Franklin's goal to respect the individual privacy of its employees and at the same time maintain a safe and secure workplace. When issues of safety and security arise, employees may be requested to cooperate with an investigation. The investigation may include the following procedures to safeguard the Town and its employees: searches of personal belongings, searches of work areas, searches of private vehicles on Town premises, medical examinations, and the like. Failure to cooperate with an investigation is grounds for termination. Providing false information during any investigation may lead to discipline, including termination.

Employees are expected to make use of Town facilities only for the business purposes of the Town. Accordingly, materials that appear on Town hardware or networks are presumed to be for business purposes, and all such materials are subject to review by the Town at any time without notice to the employees. Employees do not have to have any expectation of privacy with respect to any material on Town property. The Town of Franklin regularly monitors its communications systems and networks as allowed by law. Monitored activity may include voice, e-mail, and text communications, as well as Internet search and browsing history. Employees who make excessive use of the communications system for personal matters are subject to discipline. Employees are expected to keep personal communication to a minimum and to emergency situations.

Video surveillance. As part of its security measures and to help ensure a safe workplace, the Town of Franklin has positioned video cameras to monitor various areas of its facilities. Video cameras will not be used in private areas, such as break rooms, restrooms, locker/dressing rooms, etc.

Privacy—Social Security Numbers

Policy and Procedure Regarding Use and Disclosure of Social Security Numbers

Purpose. This policy and procedure explain the Town of Franklin's general standards and practices for how Social Security numbers are gathered, stored, disclosed, and ultimately disposed of.

Policy. It is the Town of Franklin's policy that Social Security numbers obtained from employees, vendors, contractors, customers, or others are confidential information.

Social Security numbers will be obtained, retained, used, and disposed of only for legitimate business reasons and in accordance with the law and this policy.

Procedure. Documents or other records containing employee Social Security numbers generally will be requested, obtained, or created only for legitimate business reasons consistent with this policy. For example, Social Security numbers may be requested from employees for tax reporting

purposes (i.e., Internal Revenue Service (IRS) Form W-4), for new hire reporting, or for purposes of enrollment in the Town's employee benefit plans.

Retention and access to Social Security numbers. All records containing Social Security numbers (whether partial or complete) will be maintained in secure, confidential files with limited access. Pursuant to the Town's Data Security Policy, the Town shall take reasonable steps to prevent security breaches of Personal Information, including Social Security numbers of employees, and shall provide notice of any breach of security potentially involving employees' Personal Information.

Unauthorized use/disclosure of Social Security numbers. Any employee who obtains, uses, or discloses Social Security numbers for unauthorized purposes or contrary to the requirements of this policy and procedure may be disciplined, up to and including discharge. The Town will cooperate with government investigations of any person alleged to have obtained, used, or disclosed Social Security numbers for unlawful purposes.

Application of Policies, Plan, Rules and Regulations

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

Recruitment, Selection and Appointment

Recruitment for vacant positions shall be conducted in a fair and equitable manner. Current employees are given priority consideration for vacant positions; however, good management practices dictate obtaining the best possible pool of applicants.

Veterans of the armed services and employees separated because of reduction in force policies shall also be given priority consideration provided they are qualified for the position.

Recruitment Sources. When position vacancies occur, the Human Resources Director shall publicize these opportunities for employment, including applicable salary information and employment qualifications. Information on job openings and hiring practices will be published in local and/or other news media as necessary to inform the community and attract a quality and diverse pool of applicants. In addition, notice of vacancies shall be posted at designated conspicuous sites within departments. Individuals shall be recruited from a geographic area as wide as necessary and for a period of time sufficient to ensure that well-qualified applicants are obtained for Town service. The NC Works Career Center office shall normally be used as a recruitment source. In rare situations because of emergency conditions, high turnover, etc., the Town may hire or promote without advertising jobs, upon approval of the Town Manager.

Job Advertisements. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

Application for Employment. Persons interested in employment with the Town may complete an application for positions for which they wish to apply. The Town of Franklin application form will be accepted for any position, in lieu of a resume and cover letter.

All information provided on the application must be true and correct. Providing false or misleading information may be grounds for elimination from consideration for a vacant position and/or dismissal from Town employment. Additional punishment may be received as provided under G.S. 14-3. (G.S. 14-122.1)

Application Reserve File. All applications for employment shall be kept in an inactive reserve file for a period of two years, in accordance with Equal Employment Opportunity Commission guidelines.

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

Appointment. Before any commitment is made to an applicant either internal or external, the Appointing Authority shall make recommendations to the Human Resources Director including the position to be filled, the salary to be paid, and the reasons for selecting the candidate over other candidates. The Human Resources Director and department head shall recommend approval of appointments and the starting salary for all applicants to the Appointing Authority.

After an investigation of the qualifications of the applicants the department head and Human Resources Director shall recommend the most qualified candidate to the Town Manager for appointment. The department head and/or Human Resources Director shall document reasons why the successful candidate was selected, the classification of the position to be filled, and the recommended salary.

Appointments of part time employees may be filled by department heads with the approval of the Human Resources Director.

Probationary Period

An employee with a new appointment or one who has been promoted to a regular or permanent position shall serve a probationary period. Employees shall normally serve a six-month probationary period a potential for extension to nine (9) months if the department director feels that there is additional skill building or training required.

During the probationary period, supervisors shall monitor an employee's performance and communicate regularly with the employee concerning performance progress. Before the end of the probationary period, the employee's immediate supervisor shall determine whether or not the employee is performing satisfactory work and meeting job expectations. The employee's progress (accomplishments, strengths, and weaknesses) will be discussed with the employee and a summary of this discussion should be documented in the employee's personnel file. The department head shall recommend in writing whether the probationary period should be completed, extended, or the employee transferred, demoted, or dismissed. Probationary periods may be extended with approval of the Town Manager.

An individual who is in the probationary period, whether upon initial hire or following a promotion or transfer to a new position, is ineligible to apply for another position within the Town until the probationary period is completed.

Disciplinary action, including demotion and dismissal, may be taken at any time during the probationary period of a new hire without following the steps outlined.

Promotion

Promotion is the movement of an employee from one position to a vacant position in a class assigned to a higher salary range. It is the Town's policy to create career opportunities for its employees whenever possible. Therefore, when a current employee applying for a vacant position is most qualified of all applicants, that applicant shall be promoted to that position. The Town will balance three goals in the employment process: 1) the benefits to employees and the organization of promotion from within; 2) provide a diversified workforce to the community; and 3) obtain the best possible employee to provide the most productivity in the position. Applicants for promotion shall be chosen on the basis of their qualifications and their work records. Applicants shall apply for promotions using the same application process as external applicants.

Demotion

Demotion is the movement of an employee from one position to a position in a class assigned to a lower salary range. An employee whose work or conduct in the current position is unsatisfactory may be involuntarily demoted provided that the employee shows promise of becoming a satisfactory employee in the lower position. Such demotion shall follow the disciplinary procedures outlined. Involuntarily demoted employees may appeal this decision based on the Grievance Process outlined in this Personnel Policy.

Transfer

Transfer is the movement of an employee from one position to a position in a class in the same salary range. If a vacancy occurs and an employee in another department is eligible for a transfer, the employee shall apply for the transfer using the usual application process. The department head wishing to transfer an employee to a different department or classification shall make a

recommendation to the Town Manager. Any employee transferred without requesting the action may appeal the action in accordance with the grievance procedure established in this policy.

Driver's License Requirements

All persons applying for positions with the Town must present a valid driver's license at the time of employment as there is a potential for any employee to have to drive a town vehicle. If the license is from another state, a North Carolina license will be required within 60-days of employment.

Merit Principles

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

Employment Classification

In order to determine eligibility for benefits and overtime status and to ensure compliance with federal and state laws and regulations, the Town of Franklin classifies its employees as shown below. The Town of Franklin may review or change employee classifications at any time.

Exempt. Exempt employees are typically paid on a salary basis and are not eligible to receive overtime pay.

Nonexempt. Nonexempt employees are paid on an hourly basis and are eligible to receive overtime pay for overtime hours worked.

Regular, full-time. Employees who work a minimum of 30 hours weekly and maintain continuous employment status. Generally, these employees are eligible for the full-time benefits package and are subject to the terms, conditions, and limitations of each benefits program.

Regular, part-time. Employees who are regularly scheduled to work less than 30 hours weekly but at least 20 hours weekly and who maintain continuous employment status. Part-time employees may be eligible for some of the benefits offered by the Town and are subject to the terms, conditions, and limitations of each benefits program.

Position Classification

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

duties and responsibilities. All positions covered by the personnel policy are to be classified according to the assigned duties, responsibilities, qualifications needed, and other required factors. In order to ensure its continuing value as a personnel management tool, the positions classification plan will be maintained to reflect the current work assignments and other conditions and requirements which are factors in proper classification and allocation of regular positions.

Composition of the position classification plan

The classification plan shall consist of:

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

Use of the Position Classification Plan

The classification plan is to be used:

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

Administration of the Position Classification Plan

The Town Manager, assisted by the Human Resources Director, shall allocate each position covered by the classification plan to its appropriate class, and shall be responsible for the administration of the position classification plan. The Human Resources Director shall periodically review individual positions or portions of the classification plan and recommend revisions to the Town Manager to ensure that classifications accurately reflect current job duties and responsibilities. New positions shall be established only with the approval of the Town Council after which the Human Resources Director shall either (1) allocate the new position to the appropriate class within the existing classification plan, or (2) recommend that the Town Manager and the Town Council amend the position classification plan to establish a new class to which the new position may be allocated.

Department Directors shall be responsible for bringing to the attention of the Human Resources Director material changes in the nature of duties, responsibilities, working conditions, or other

factors affecting the classification of any existing positions. Department directors shall present to the Human Resources Director written justification for why there should be a change in position classification. In the case of a new position or a vacant position where duties have or will change, the justification should include the proposed changes in duties and responsibilities. In the case of an occupied position, the request shall reflect changes in assigned duties and responsibilities. The department director's written justification should be detailed and specific enough for the Human Resources Director to make a determination regarding further study.

Authorization of New Positions and the Position Classification Plan

New positions shall be established upon recommendation of the Town Manager and approval of the Town Council. New positions shall be recommended to the Town Council with a recommended class title. The position classification plan, along with any new positions or classifications shall be approved by the Town Council and on file with the Human Resources Director.

Request for Reclassification

Any employee who considers the classification of his/her position to be improper shall submit a request in writing for reclassification to the immediate supervisor. The supervisor shall evaluate the request and forward a recommendation to the Department Director who shall evaluate and then forward a recommendation to the Human Resources Director who will evaluate and then forward a recommendation to the Town Manager. Upon receipt of such request, the Town Manager shall study the request, determine the merit of the reclassification, and make the necessary changes to maintain a fair and accurate classification plan. Determination will be finalized within sixty (60) days of request.

CONDITIONS OF EMPLOYMENT

Workweek and Hours of Work

The standard workweek (pay period) is from Friday 12:00 a.m. until Thursday 11:59 p.m. and generally consists of 40 work hours, except for Fire and Police and some Public Works divisions. Office hours are normally five 8-hour days Monday through Friday, with a 30-minute lunch break during the work day. Individual work schedules may vary depending on the needs of each department. For example, Public Works regular hours are from 7:30 a.m. until 4:00 p.m.

Meal and Rest Breaks

Employees are entitled to a 30-minute unpaid meal break each day. Any nonexempt employee who is required to work through a meal break will be paid for the 30-minute period. Employees are also entitled to two 15-minute rest periods each day. Meal and rest breaks will be scheduled by the direct supervisor or department director.

Breaks are not required by law and consequently should be considered as a privilege and limited to the time indicated by the department director. Breaks should not interfere with the employee's work and should not be taken unless work circumstances warrant. Office personnel and other employees responsible for answering the telephone and serving walk-in visitors shall arrange to have their duties handled by another employee while they are on break. Under no circumstance is a Town office to be left unattended without authorization from the department director or Town Manager.

Gifts and Favors

An employee shall not accept any gift or gratuity, whether in the form of service, loan, thing of value, or promise from any person, business concern, or organization who is interested directly or indirectly in business dealing with the Town. These limitations are not intended to prohibit the acceptance of articles of a de minimis value (\$25.00 or less) which are distributed generally, nor prohibit employees from obtaining personal loans from regular lending institutions.

An employee shall not grant, in the discharge of his official duties, any improper favor, service, or thing of value.

Use of Town Time, Equipment, Supplies, and Vehicles

Town supplies and equipment are to be used exclusively for the Town's business. During working hours, an employee shall only engage in Town business. Use of Town time, supplies, or equipment for personal or other purposes not related to the employee's Town duties and responsibilities is prohibited and subjects the employee to disciplinary action, up to and including dismissal.

All employees, who use Town vehicles, are required to follow applicable motor vehicle and safety requirements. Violation or misuse of Town vehicles also subjects the employee to disciplinary action, up to and including dismissal.

Employment of Relatives

The provisions of this policy limiting the employment of relatives by the Town shall apply to full time and part time employees.

A. No two members of an immediate family shall be employed within the same department if such employment will result in one supervising a member of his or her immediate family or create a conflict of interest with either relative and the Town.

B. The term “immediate family” means an employee’s wife, husband, mother, father, guardian, son, daughter, brother, sister, grandchild, and grandparent, as well as the various combinations of half, step, in-law, foster and adopted relationships that can be derived from those family members named herein.

C. The Town also prohibits the employment of any person into a regular/permanent position who is an immediate family member of individuals holding the following positions: Mayor, Council Members, Town Manager, Human Resources Director, Town Clerk or Town Attorney. Otherwise, the Town will consider employing family members or related persons in the service of the Town, provided that such employment does not:

- 1) result in a relative supervising relatives;
- 2) result in a relative auditing the work of a relative;
- 3) create a conflict of interest with either relative and the Town; or
- 4) create the potential or perception of favoritism.

For those employees who are already employed with the Town and an immediate family member is elected as Mayor or Council Member, the employee and elected official will both be required to sign a disclosure indicating the relationship. No employee will be removed from their position due to the election of an immediate family member.

D. Current employees who marry each other or become involved in a domestic partnership will be permitted to continue employment with the Town provided they don’t work in a direct supervisory relationship with each other or otherwise pose difficulties as mentioned above. If employees who marry or live together do work in a direct supervisory relationship with each other, the Town will attempt to reassign one of the employees to another position for which the employee is qualified if such a position is available. If no such position is available, the employees will be permitted to determine which one of them will resign from the Town.

Political Activity

Every employee of the Town of Franklin has a civic responsibility to support good government by every available means and in every appropriate manner. Any employee may join or affiliate with

civic organizations of a partisan or political nature, may attend political meetings, and may advocate and support the principles or policies of civic or political organizations in accordance with the constitution and laws of the state of North Carolina and the constitution and laws of the United States of America. However, while on duty, no employee of the Town of Franklin shall:

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

Employees subject to the Federal Hatch Act may--

- Run for public office in nonpartisan elections
- Campaign for and hold office in political clubs and organizations
- Actively campaign for candidates for public office in partisan and nonpartisan elections
- Contribute money to political organizations and attend political fundraising functions

Employees subject to the Federal Hatch Act may not--

- Be a candidate for public office in a partisan election
- Use official authority or influence to interfere with or affect the results of an election or nomination
- Directly or indirectly coerce contributions from subordinates in support of a political party or candidate

Any violation of this section may subject the employees to dismissal or other disciplinary action.

Outside Employment

Employees generally are permitted to work a second job as long as it does not interfere with their job performance or create a conflict of interest with the Town of Franklin. All employees, including part-time employees, must complete the appropriate forms with the HR department before undertaking any outside employment or other work activity.

The department head and the Human Resources Director will determine whether the outside work would create a conflict of interest or otherwise be incompatible with the Town service. The assumption of outside employment without prior approval by the Town may be deemed improper conduct, and subject the employee to disciplinary action, up to and including dismissal.

Examples of conflicts of interests in outside employment include but are not limited to:

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

Employees with an outside job are expected to work their assigned schedules. A second job will not be considered an excuse for poor job performance, absenteeism, tardiness, leaving early, refusal to travel, or refusal to work overtime or different hours. In addition, employees who have accepted outside employment may not use paid sick time to work on the outside job. However, an employee on a leave of absence may continue to work in the outside job if this employment has been approved by the Town under this policy and the employee's reason for leave does not preclude the outside employment.

If outside work activity causes or contributes to job-related problems, it must be discontinued, or the employee may be subject to disciplinary action up to and including termination.

Dual Employment

A full-time employee of the Town may simultaneously hold another position with the Town if the position is in a different department or agency and substantially different capacity and occupational area from that of the full-time position and is either temporary or part-time in nature. The work must also be performed on an occasional or sporadic basis. However, the work of the full-time position shall take precedence over the part-time position, and such part-time work will not count toward the calculation of overtime for pay or time off. For example: a full-time employee who also serves as a volunteer fire fighter for Franklin Fire and Rescue or as a reserve police officer.

Time Records

All employees are required to complete accurate weekly time reports showing all time actually worked. These records are required by governmental regulations and are used to calculate regular and overtime pay. At the end of each pay period, both employees and their supervisors must electronically approve the time sheet attesting to its correctness before it is forwarded to the HR department.

Any falsification, tampering or unauthorized viewing of time records is grounds for disciplinary action, up to and including termination.

This includes but is not limited to:

- Any attempt to tamper with timekeeping hardware or software.
- Clock in or out of another employee who is absent or late.
- Anyone interfering with other employees' use of the ESS system.

Overtime

Employees of the Town can be requested and may be required to work overtime hours as necessitated by the needs of the Town and determined by the supervisor and approved by the Department Head and Human Resource Director.

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

Non-exempt employees will be compensated at a straight time rate for hours up to the FLSA established limit for their position (usually 40 hours in a 7-day period or alternative FLSA approved full time schedule). Employees in public safety job classes may earn overtime based on a pay period established under 7(k) exemption in FLSA. Hours worked beyond the FLSA established limit will be compensated in time or pay at the appropriate overtime rate. In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will annual, sick leave, or holidays be included in the computation of hours worked for FLSA purposes.

All compensatory time should be kept to a minimum and supervisors shall make every effort to see that work is accomplished within the established forty (40) hour workweek. When time off within workweek cannot be granted, compensation for overtime worked will be given in the form of compensatory time off or pay in accordance with the FLSA. Compensatory time must be taken before June 1 and the maximum amount of compensatory time that may be accrued at any given time is sixty (60) hours. Compensatory time must be used before use of vacation leave. Any exception requires approval of Town Manager. Sick leave may be taken before use of compensatory time. All compensatory time will normally be paid in the form of time off except in the event of resignation and compensatory time will be paid out for any non-exempt employee. Any remaining compensatory time available as of June 1 of the fiscal year may be paid out subject to available funds and approval by the Town Council.

Training Time

Required attendance at training sessions, workshops, and other meetings, whether before, during or after the employee's regular work schedule, is work time.

Voluntary attendance at training sessions, workshops, and other meetings is not work time. Attendance is voluntary only if the employee is not led to believe that his working conditions or continued employment would be adversely affected by non-attendance.

Travel Time

Travel time is subject to the Fair Labor Standards Act. A separate travel policy has been developed for use in the Town of Franklin. This travel policy should be considered as an addendum to the Town of Franklin Personnel Policy.

Exempt Employees

Employees in positions determined to be "exempt" from the FLSA (as Executive, Administrative, or Professional staff) will not receive pay for hours worked in excess of their normal work periods. These employees may be granted compensatory leave by their supervisor where the convenience of the department allows and in accordance with procedures established by the Town Manager. Such compensatory time is not guaranteed to be taken and is not compensable upon separation from the organization.

Payroll

The Town of Franklin's pay period for all employees is biweekly on Friday. If payday falls on a federal holiday, employees will receive their paycheck on the preceding workday. Paychecks are directly deposited into employees' checking and/or savings accounts.

Preparation of Payroll

All payrolls shall be prepared in the finance department from time sheets approved by the appropriate department heads. Payroll is on a bi-weekly schedule. Direct Deposit is mandatory for all town employees. Pay shall be distributed every two (2) weeks. Payroll notifications shall be emailed to employees and password protected.

Payroll Deductions

The Town Finance Officer is authorized to make established deductions from an employee's gross pay to cover federal and state income taxes, contributions for retirement systems, 401 (K) contributions and employee group insurance premiums. Individual deductions requested by the employee for other than qualified programs shall be made only with the approval of the Human Resources Director.

WORKPLACE GUIDELINES

Attendance

All employees are expected to arrive on time, ready to work, every day they are scheduled to work.

If unable to arrive at work on time, or if an employee will be absent for an entire day, the employee must contact the supervisor as soon as possible. Voicemail, text, and e-mail messages are acceptable. Excessive absenteeism or tardiness will result in discipline up to and including termination. Failure to show up or call in for a scheduled shift without prior approval also may result in discipline up to and including termination. If an employee fails to report to work or call in to inform the supervisor of the absence for two consecutive days or more, the employee will be considered to have voluntarily resigned employment.

Job Performance

Communication between employees and supervisors is very important. Discussions regarding job performance are ongoing and often informal. Employees should initiate conversations with their supervisors if they feel additional ongoing feedback is needed.

Generally, formal performance reviews are conducted annually. These reviews include a written performance appraisal and discussion between the employee and the supervisor about job performance and expectations for the coming year. These performance evaluations shall be documented in writing and placed in the employee's personnel file. Procedures and criteria for the performance evaluation program shall be in accordance with the Town performance evaluation policy.

Dress and Grooming

The Town of Franklin provides a casual yet professional work environment for its employees. Even though the dress code is casual, it is important to project a professional image to our customers, visitors, and coworkers. All employees are expected to dress in a manner consistent with good hygiene, safety, and good taste.

Certain employees may be required to meet special dress and grooming, such as wearing uniforms or safety equipment/clothing, depending on the nature of their job. Any questions or complaints regarding the appropriateness of attire should be directed to the HR department. Decisions regarding attire will be made by the Human Resources Director and Town Manager, and not by individual departments.

Cell Phone Safety and Driving

Safe driving is the first priority when operating a vehicle while driving on Town of Franklin business. Employees' first responsibility is to pay attention to your driving. They should never allow a cell phone or other mobile device to distract them from concentrating on driving.

Under no circumstances should employees feel that they need to place themselves or others at risk while driving to fulfill business needs. Employees should follow these procedures to avoid distracted driving:

- Follow all applicable state and local laws that address the use of cell phones and other mobile devices while driving.
- Avoid using cell phones while driving and avoid it as a hand-held device. Find a safe place to pull over to make or receive phone calls, send or receive text messages, or manipulate navigation apps.
- Program their destination into navigation apps or GPS devices before they start driving.
- Do not read or respond to text messages or e-mail or browse social media or the Internet while driving.
- Be aware of distractions from in-car "infotainment" systems. Just because they are built into the vehicle does not mean they do not create a hazardous distraction.

Employees who fail to follow safety guidelines are subject to discipline.

Social Media Use

The Town of Franklin recognizes that employees/volunteers may choose to express themselves by posting personal information on the Internet through social networking sites, personal websites, blogs, or chat rooms, by uploading content, or by making comments at other websites or blogs. The Town of Franklin respects the rights and interests of employees in engaging in these forms of personal expression on their own time, should they choose to do so. All employees are expected to follow the guidelines and policies set forth to provide a clear line between the employee as an individual and as a Town of Franklin employee.

The Town of Franklin respects the right of employees to use blogs and social media sites as a medium of self-expression and public conversation, and does not discriminate against employees who use these media for personal interests and affiliations or other lawful purposes. Blogging or other forms of social media or technology include, but are not limited, to video or wiki postings, sites such as Facebook and Twitter, chat rooms, YouTube, personal blogs or other similar forms of online journals, diaries or personal newsletters not affiliated with the Town of Franklin.

Guidelines for Acceptable Social Media Conduct

- A. Employees shall not use town resources to conduct personal blogging or social networking activities. Employees are prohibited from using a Town of Franklin email address in connection with any social networking or blog sites. Employees are prohibited from any such activities while on town time while using either town or personal resources (including laptops, cell phones, and other electronic devices), unless such forums are used for a public purpose.
- B. While employees may engage in online debate of matters of public importance, employees shall not use blogs or social networking sites to harass, threaten, discriminate or disparage employees of the Town of Franklin, or individuals that employees interact with while in the service of the Town of Franklin. Employees are also reminded that they are legally responsible for content they post to the Internet on their personal time, in a blog or otherwise, and may be held personally liable for, among other things, defaming others and/or revealing confidential information.
- C. If employees identify themselves as a Town of Franklin employee (including volunteers), some readers may view the employee as a spokesperson for the Town of Franklin. Because of this possibility, employees/volunteers should state that views expressed in their blog or social networking area are their own and not those of the Town of Franklin, nor of any person or organization affiliated or doing business with the Town of Franklin.
- D. Employees/volunteers shall not post the logo of the Town of Franklin or agency thereof on personal blogs or other sites. Employees shall not post confidential, non-public information, including Town of Franklin-issued documents. Employees who are unsure whether information is confidential and not a public record shall seek instruction from their immediate supervisors. Employees cannot post on personal blogs or social networking sites photographs of other employees, clients/customers/citizens, vendors, or suppliers without their express permission; employees shall not post photographs of persons engaged in business with Town of Franklin events without express permission from those individuals.
- E. Employees shall not link from a personal blog or social networking site to the Town of Franklin's internal or external web sites. Employees should be aware that personal postings may be read by not only friends and family, but possibly by co-workers, supervisors, town residents, and the media. Even if posted anonymously or under a pseudonym, identities can be discovered relatively easily. Employees should be careful when deciding what to include in a post or comment. The Town of Franklin may require immediate removal of, and impose discipline for, material that is disruptive to the

workplace or impairs the mission of the Town of Franklin unless such postings are protected by local, state or federal laws.

Monitoring and Violations

- A. **Employer Monitoring.** Employees are cautioned that they have no expectation of privacy while using Town of Franklin technology resources and postings can be reviewed by anyone, including the Town of Franklin. Town management reserves the right to monitor comments or discussions about the Town of Franklin and its employees, posted by anyone, including employees and non-employees, on the Internet. The Town of Franklin may use blog-search tools and software to monitor forums such as blogs and other types of personal journals, diaries and personal and business discussion forums.

- B. **Reporting Violations.** Employees shall report any violations or possible or perceived violations of this policy to the Human Resource Director. Violations include discussions of Town of Franklin and its employees and vendors, any discussion of proprietary information and any unlawful activity related to social media use.

- C. **Discipline for Violations.** The Town of Franklin will investigate and respond to all reports of violations of the rules and guidelines set forth in this policy and other related policies. Violation of this policy may result in disciplinary action up to and including termination. The Town of Franklin reserves the right to take legal action when necessary against employees who engage in prohibited or unlawful conduct. The Town of Franklin will discipline purported violations on a case-by-case basis, so as not to infringe on rights protected under the First Amendment.

Bulletin Boards

All required governmental postings are posted on the boards located in the break rooms. These boards may also contain general announcements from Human Resources or Town Administration (Town Manager and/or Town Council).

Nothing in this policy is meant to, nor should it be interpreted to, in any way limit your rights under any applicable federal, state, or local laws, including your rights under the NLRA to engage in protected concerted activities with other employees to improve or discuss terms and conditions of employment, such as wages, working conditions, and benefits. Employees have the right to engage in or refrain from such activities.

A full copy of the policy including definitions is available in the Human Resources Department.

Computers, Internet, E-Mail, and Other Resources

The use of the Town of Franklin's (Town) automation systems, including computers, fax machines, and all forms of Internet/Intranet access, is for Town business and for authorized purposes only. Brief and occasional personal use of the electronic mail system or the Internet is acceptable as long as it is not excessive or inappropriate as defined below, occurs during personal time (lunch or other breaks), and does not result in expense to the Town. However, employees are hereby notified that use of Town computer, email, or Internet resources is subject to monitoring and/or searching by the Town's administration, and employees have no expectation of privacy in use of Town systems.

The Internet is to be used to further the Town's mission, to provide effective service of the highest quality to the Town's customers and staff, and to support other direct job-related purposes. Supervisors should work with employees to determine the appropriateness of using the Internet for professional activities and career development. The various modes of Internet/Intranet access are Town resources and are provided as business tools to employees who may use them for research, professional development and work-related communications. Limited personal use of Internet resources is a special exception to the general prohibition against the personal use of computer equipment and software.

Use is defined as "excessive" if it interferes with normal job functions, responsiveness, or the ability to perform daily job activities. Electronic communication should not be used to solicit or sell products or services that are unrelated to the Town's business; distract, intimidate, or harass coworkers or third parties; or disrupt the workplace.

Use of Town computers, networks, and Internet access is a privilege granted by management and may be revoked at any time for inappropriate conduct carried out on such systems, including, but not limited to:

- Sending chain letters or participating in any way in the creation or transmission of unsolicited commercial e-mail ("spam") that is unrelated to legitimate Town purposes;
- Engaging in private or personal business activities, including excessive use of instant messaging and chat rooms (see below);
- Misrepresenting oneself or the Town;
- Violating the laws and regulations of the United States or any other nation or any state, city, province, or other local jurisdiction in any way;
- Engaging in unlawful or malicious activities;
- Deliberately propagating any virus, worm, Trojan horse, trap-door program code, or other code or file designed to disrupt, disable, impair, or otherwise harm either the Town's •

Using abusive, profane, threatening, racist, sexist, or otherwise objectionable language in either public or private messages;

- Sending, receiving, or accessing pornographic materials;
- Promoting political issues, campaigns or candidates;
- Causing congestion, disruption, disablement, alteration or impairment of Town networks or systems; networks or systems or those of any individual or entity;
- Maintaining, organizing, or participating in non-work-related social networking, Web logs ("blogs"), Web journals, "chat rooms", or private/personal/instant messaging;
- Failing to log off any secure, controlled-access computer or other form of electronic data system to which you are assigned, if you leave such computer or system unattended;
- Using recreational games;
- Accessing Pornography; and/or
- Defeating or attempting to defeat security restrictions on Town systems and applications.

Using Town automation systems to access, create, view, transmit, or receive racist, sexist threatening, or otherwise objectionable or illegal material is strictly prohibited. "Material" is defined as any visual, textual, or auditory entity. Such material violates the Town anti-harassment policies and may subject the employee to disciplinary action. The Town's electronic mail system, Internet access, and computer systems must not be used to violate the laws and regulations of the United States or any other nation or any state, city, province, or other local jurisdiction in any way. Use of Town resources for illegal activity can lead to disciplinary action, up to and including dismissal and criminal prosecution. The Town will comply with reasonable requests from law enforcement and regulatory agencies for logs, diaries, archives, or files on individual Internet activities, e-mail use, and/or computer use.

Unless specifically granted in this policy, any non-business use of the Town's automation systems is expressly forbidden.

Employees who violate these policies, may be subject to disciplinary action, up to and including dismissal.

Ownership and Access of Electronic Mail, Internet Access, and Computer Files

The Town owns the rights to all data and files in any computer, network, or other information system used in the Town. The Town also reserves the right to monitor electronic mail messages (including personal/private/instant messaging systems) and their content, as well as any and all use of the Internet and of computer equipment used to create, view, or access e-mail and Internet content. Employees must be aware that the electronic mail messages sent and received using Town equipment are not private and are subject to viewing, downloading, inspection, release, and archiving by Town officials at all times. In addition, emails and other electronic documents are generally public documents and therefore subject to disclosure upon request by

any party. The Town has the right to inspect any and all files stored in private areas of the network or on individual computers or storage media in order to assure compliance with policy and state and federal laws. No employee may access another employee's computer, computer files, or electronic mail messages without prior authorization from either the employee or an appropriate Town official.

The Town has licensed the use of certain commercial software application programs for business purposes. Third parties retain the ownership and distribution rights to such software. No employee may create, use, or distribute copies of such software that are not in compliance with the license agreements for the software. Violation of this policy can lead to disciplinary action, up to and including dismissal.

Confidentiality of Electronic Mail

As noted above, electronic mail is subject at all times to monitoring, and the release of specific information is subject to applicable state and federal laws and Town rules, policies, and procedures on confidentiality. Existing rules, policies, and procedures governing the sharing of confidential information also apply to the sharing of information via commercial software. Since there is the possibility that any message could be shared with or without Employee permission or knowledge, the best rule to follow in the use of electronic mail for non-work-related Information is to decide if you would post the information on the office bulletin board with your signature.

It is a violation of Town policy for any employee, including system administrators and supervisors, to access electronic mail and computer systems files merely to satisfy curiosity about the affairs of others. Employees found to have engaged in such activities will be subject to disciplinary action.

Electronic Mail Tampering

Electronic mail messages received should not be altered without the sender's permission; nor should electronic mail be altered and forwarded to another user and/or unauthorized attachments be placed on another's electronic mail message.

Applicability of Town Personnel Policy, Policies Generally

All Town policies and procedures apply to employees' conduct on the Internet, especially, but not exclusively, relating to: intellectual property, confidentiality, Town information dissemination, standards of conduct, misuse of Town resources, anti-harassment, and information and data security.

Personal Electronic Equipment

The Town prohibits the use or possession in the workplace of any type of camera phone, cell phone camera, digital camera, video camera, or other form of image-recording device without the express permission of the Town and of each person whose image is recorded. Employees with such devices should leave them at home unless expressly permitted by the Town to do otherwise. This provision does not apply to designated Town personnel who must use such devices in connection with their positions of employment.

Employees shall not bring personal computers to the workplace or connect them to Town electronic systems unless expressly permitted to do so by the Town. Any employee bringing a personal computing device or image recording device onto Town premises thereby gives permission to the Town to inspect the personal computer or image recording device at any time with personnel of the Town's choosing and to analyze any files, other data, or data storage media that may be within or connectable to the personal computer or image recording device in question. Employees who do not wish such inspections to be done on their personal computers or imaging devices should not bring such items to work at all.

Violation of this policy, or failure to permit an inspection of any device covered by this policy, shall result in disciplinary action, up to and possibly including immediate termination of employment. In addition, the employee may face both civil and criminal liability from the Town or from individuals whose rights are harmed by the violation.

Software

Installation of any software, on any town owned device or computer, unless expressly authorized by the IT Administrator, is strictly forbidden. All software on town devices and computers will be installed by the IT department

Outside the workplace

Employees may face discipline, up to and including dismissal, for online and other activities outside of the workplace, as permitted by applicable state and federal law.

Travel and Transportation Expenses

It is the policy of the Town to reimburse its employees, elected officials, and appointed officials for travel and transportation expenses directly related to official business of the Town. All travel costs will be paid directly to the individual incurring the expense and may not be billed to the Town without prior approval of the department head or the Finance Officer.

A separate travel policy has been developed for use in the Town of Franklin.

Travel Reimbursement

Employees and officials traveling on a reimbursable basis for the Town will keep an accurate record of their expenses. No reimbursement will be paid without a written travel claim signed by the employee and approved by the department head. Receipts for the cost of hotels and related travel expenses must be attached to the written claim.

Employees may use their personal vehicles for out-of-Town travel if they so choose, with prior approval of the department director and Town Manager. Reimbursement for mileage will be at the current IRS rate, which may be adjusted at any time by action of the Town Council.

TIME OFF AND LEAVES OF ABSENCE

Holidays

The Town of Franklin observes and allows time off with pay for the following holidays:

- New Year's Day
- Martin Luther King, Jr. Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veteran's Day
- Thanksgiving (two days)
- Christmas Day (plus additional day(s) approved by Town Council)
- One (1) floating holiday in the birth month of the employee*

*If the floating holiday cannot be taken during the birth month, approval from Human Resources Director and/or the Town Manager may be given to take on a different date

Any additional holidays will be designated by the Town at the start of each calendar year.

If one of these holidays falls on a Sunday, it will be observed on the following Monday. If the holiday falls on a Saturday, the Town will select either the following Monday or the preceding Friday as a substitute holiday.

Holiday pay. Full-time regular employees are eligible for holiday pay. Employees may receive holiday pay immediately upon joining the Town.

Holiday pay shall be at the employee's regular straight-time rate, inclusive of shift premiums, times the employee's regularly scheduled hours.

To receive holiday pay, an eligible nonexempt employee must be at work or taking an approved absence on the workdays immediately preceding and immediately following the day on which the holiday is observed. An approved absence is a day of vacation or sick leave. If an employee is absent on one or both of these days because of an illness or injury, the Town may require verification of the reason for the absence before approving holiday pay.

Religious observances. Employees who need time off to observe religious practices or holidays not already scheduled by the Town should speak with their supervisor. Depending upon business needs, the employee may be able to work on a day that is normally observed as a holiday and then take time off for another religious day. Employees may also be able to switch a scheduled day with another employee, take vacation time, or take off unpaid days. The Town will seek to reasonably accommodate individuals' religious observances.

Vacation Leave

The Town of Franklin recognizes the importance of time off from work to relax, spend time with family, and enjoy leisure activities. The Town provides paid vacation time to full-time employees for this purpose, and employees are encouraged to take vacation during the year. Part-time employees who are regularly scheduled to work 20 or more hours per week will be eligible for paid vacation on a pro rata schedule.

Vacation Leave: Accrual Rate

Full-time employees will accrue paid vacation according to the following schedule (annual totals should be rounded to the nearest whole day):

Years of Service	Hours Earned 2080	2184 Hours (Police)	2824 Hours (Fire)
0 but less than 2 years	80	84	109
2 but less than 5 years	96	101	130
5 but less than 10 years	120	126	163
10 but less than 15 years	144	151	195
15 but less than 20 years	160	168	217
20 but less than 25 years	200	210	271
25 years +	240	252	326

Employees may not take paid vacation until they actually have earned or accrued the vacation time. New employees accrue paid vacation at the start of employment but may not take any vacation until they have completed at least six months of employment unless approved by the Town Manager.

Generally, employees should submit vacation plans to their supervisor at least two weeks in advance of the requested vacation date. Vacation may be scheduled in increments of 1 full workday up to a maximum of two weeks in a row. Department Directors have the right to designate when some or all of vacations must be taken.

Vacation Leave: Maximum Accumulation

Vacation leave may not be accumulated in excess of 240 hours. Any employee with more than 30 days of accumulated leave shall have the excess accumulation converted into sick leave after the end of the calendar year so that only 30 days of vacation are carried. This converted sick leave shall be used in the same manner as accrued sick leave and may be used for authorized sick leave purposes. Any unused converted sick leave may be counted toward creditable service at retirement based upon the rules and limitations of the North Carolina Local Government Employees Retirement System.

Employees are cautioned not to retain excess accumulated vacation leave until late in the fiscal year. Because of the necessity to keep all functions in operation, large numbers of employees cannot be granted annual leave at any one time. If an employee has excess leave accumulation

during the latter part of the fiscal year and is unable to take such leave because of staffing demands, the employee shall receive no special consideration either in having vacation leave scheduled or in receiving any exception to the maximum accumulation.

Vacation Leave: Manner of Taking

Vacation leave may be taken as earned by the employee upon request in advance at those times designated by the department director that will least obstruct normal operations of the Town. Any vacation request that is greater than two weeks will require approval from the Town Manager.

Vacation Leave: Payment Upon Separation

An employee will normally be paid for accumulated annual leave upon separation subject to the 30-day maximum, provided proper notice is given to the supervisor in advance of the effective date of resignation.

Employees that are involuntarily separated shall receive payment for accumulated annual leave subject to the 30-day maximum.

Vacation Leave: Payment Upon Death

The estate of an employee who dies while employed by the Town shall be entitled to payment of the accumulated annual leave credited to the employee's account not to exceed the maximum of 240 hours.

Vacation Leave: Leave Sharing With Other Employees

Vacation leave may be transferred to employees who are in need of sick leave and at risk of going on unpaid status as referenced under Sick Leave: Leave Sharing with Other Employees.

Vacation Leave: Transfer to Sick Leave

Anytime an employee has more than 240 hours of vacation leave at the end of the calendar year (December 31), the excess will be converted into sick leave. This converted sick leave shall be used in the same manner as accrued sick leave and may be used for authorized sick leave purposes. Like regular sick leave, any unused converted sick leave may be counted toward credible service.

Sick Leave

The Town of Franklin provides regular, full-time, and part-time employees with paid sick days. Employees become eligible for sick days beginning at the time of employment.

Sick days are not intended to be used as a substitute for vacation days. Sick leave with pay is not a right which an employee may demand, but a privilege granted by the Town for the benefit of an employee when sick or injured or when attending to an immediate family member (spouse,

parents, children, grandparents, grandchildren, including foster, step, half and in-law relationships).

Sick leave may also be used for medical appointments, physical or dental examinations or treatment, death in the immediate family (spouse, parents, children, brother, sister, grandparents, and grandchildren, including foster, step, half, and in-law relationships), and when continuing to work could jeopardize the health of others.

Sick leave may also be used to supplement Workers' Compensation Disability Leave during the waiting period before Workers' Compensation benefits begin.

Regular/permanent, part-time employees earn sick leave in relation to the number of hours normally scheduled to work. In other words, if an employee normally is scheduled to work one-half time, then that employee would earn one-half day of sick leave per month. A part-time employee who is out of work on sick leave will not be paid for more than the normal number of hours scheduled to work.

Temporary employees are not entitled to earn sick leave. Temporary employees must take leave without pay for days missed due to sickness.

Sick Leave: Accrual Rate and Accumulation

Sick leave shall accrue at a rate of 8 hours (2080 employees), 9 hours (2184 employees, and 10 hours (2824 employees) per month of service. Sick leave for fulltime or part time employees working other than the basic work schedule shall be prorated as described under the section Leave Prorated.

Time taken off by employees using approved 8 hours leave, or time off under worker's compensation, shall be counted as time worked for the purpose of sick leave accumulation.

Sick leave will be cumulative for an indefinite period of time and may be converted upon retirement for service credit consistent with the provisions of the North Carolina Local Government Employees' Retirement System.

No employee will be compensated for accumulated sick leave upon separation. Sick leave will end and terminate.

Sick Leave: Use and Reporting

Sick leave must be charged as used.

All employees are eligible to use their sick leave as it is earned.

Employees are required to notify their supervisors as soon as possible, but no later than one (1) hour before the beginning of their regular work day, if they are unable to be at work because of illness. In departments where replacements or schedule changes are necessary, employees are

required to notify their supervisors no later than one hour before work is scheduled to begin. Department directors are authorized to determine requirements for notification (i.e. telephone, text, email).

Sick Leave: Medical Certification

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

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

If an employee misses three or more consecutive days because of illness, the Town of Franklin requires the employee to provide a physician's written permission to return to work.

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

Sick Leave: Retirement Credit

One month of retirement credit is allowed for each twenty (20) days accrued (160) hours in an employee's sick leave account at time of retirement, to employees who are members of the North Carolina Local Governmental Employees' Retirement System. (See Your Retirement Benefits from the North Carolina Local Governmental Employees' Retirement System)

Sick Leave: Payment Upon Separation

Employees will not be paid for any portion of unused sick leave when they leave the employment of the Town, for any reason.

Sick Leave: Acceptance of Previous Sick Leave

New employees of the Town, whose last employer was the State of North Carolina or another local government in North Carolina, may be given credit for accumulated sick leave with the previous employer. The credit for sick leave only applies to employees who come directly to the Town from the previous employer with no significant gap in work time. Credit is not given for

previous service with the Town or for service with a previous employer when there is over one (1) year break in work time or when retirement benefits were withdrawn.

Sick Leave: Leave Sharing With Other Employees

Employees may transfer available vacation leave to another employee to use as sick leave. This is only allowed under specific circumstances when the receiving employee has depleted all available leave. The Town Manager and Human Resource Director shall determine the amount of leave an employee may receive, if any. An employee shall not receive, in any donations, a total of more than 240 hours of donated vacation leave. Time transferred/donated will be converted from the donating employee's dollar value to the receiving employee's value in hours. This is a voluntary program in which no employee will coerce any employee to donate sick leave time. Confidentiality between donor and recipient will be maintained.

Employees qualifying to receive donated leave must meet all following criteria:

- 1) The employee suffers from an illness, injury, impairment, or physical or mental condition, which is of an extraordinary or sever nature and which has caused, or is likely to cause the employee to:
 - a. Go on leave without pay status; or
 - b. Terminate town employment; and
- 2) The employee's absence and the use of shared leave are justified; and
- 3) The employee has depleted all sick, vacation, and compensatory leave; and
- 4) The employee has abided by all personnel rules regarding sick leave use.

It is the responsibility of both parties to be familiar with the Town of Franklin's Personnel Policy in regards to proper use of sick leave, accumulated sick leave's effect on retirement, and the guidelines of the Family and Medical Leave Act (FMLA).

Leave Prorated

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

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

If an employee misses three or more consecutive days because of illness, the Town of Franklin may require the employee to provide a physician's written permission to return to work.

Family and Medical Leave

The Town of Franklin complies with the federal FMLA, which requires employers to grant unpaid leaves of absence to qualified workers for certain medical and family-related reasons. The Town also abides by any state and local leave laws. The more generous of the laws will apply to the employee if the employee is eligible under both federal and state laws.

Employees should note there are many requirements, qualifications, and exceptions under these laws, and each employee's situation is different. Employees should contact the HR department to discuss options for leave.

The FMLA requires private employers with 50 or more employees and all public agencies, including state, local, and federal employers, and local education agencies (schools) to provide eligible employees up to 12 weeks of unpaid, job-protected leave in any 12-month period for certain family and medical reasons. The 12-month period is a rolling period measured backward from the date an employee uses any FMLA leave, except for leaves to care for a covered servicemember with a serious illness or injury. For those leaves, the leave entitlement is 26 weeks in a single 12-month period measured forward from the date an employee first takes that type of leave.

Basic leave entitlement. The FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons: (1) for incapacity due to pregnancy, prenatal medical care, or childbirth; (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, child, or parent who has a serious health condition; or (4) for a serious health condition that makes the employee unable to work.

Military family leave entitlements. Eligible employees with a spouse, child, or parent on active duty or called 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. Qualifying exigencies may include addressing issues that arise from (1) short notice of deployment (limited to up to seven days of leave); (2) attending certain military events and related activity; (3) arranging child care and school activities; (4) addressing certain financial and legal arrangements; (5) attending certain counseling sessions; (6) spending time with covered military family members on short-term temporary rest and recuperation leave (limited to up to five days of leave); (7) attending post-deployment reintegration briefings; (8) arranging care for or providing care to a parent who is incapable of self-care; and (9) any additional activities agreed upon by the employer and employee that arise out of the military member's active duty or call to active duty.

The FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the armed forces, including a member of the National Guard or reserves, who has a serious injury or illness incurred in the line of duty on

active duty that may render the servicemember medically unfit to perform the duties of the servicemember's office, grade, rank, or rating and for which the servicemember is undergoing medical treatment, recuperation, or therapy; is in outpatient status; or is on the temporary disability retired list.

Benefits and protections during FMLA leave. During FMLA leave, the Town will 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 will be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. However, an employee on FMLA leave does not have any greater right to reinstatement or to other benefits and conditions of employment than if the employee had been continuously employed during the FMLA leave period.

Certain highly compensated key employees also may be denied reinstatement when necessary to prevent "substantial and grievous economic injury" to the Town's operations. A "key" employee is an eligible salaried employee who is among the highest-paid 10 percent of the Town's employees within 75 miles of the worksite. Employees will be notified of their status as key employees, when applicable, after they request FMLA leave.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued before the start of an employee's leave.

Employee eligibility. The FMLA defines eligible employees as employees who (1) have worked for the Town for at least 12 months; (2) have worked for the Town for at least 1,250 hours in the previous 12 months; and (3) work at or report to a worksite that has 50 or more employees or is within 75 miles of Town worksites that, taken together, have a total of 50 or more employees.

Definition of "serious health condition." A serious health condition is an illness, an injury, an impairment, or a physical or mental condition that involves either an overnight stay in a medical care facility or continuing treatment by a healthcare 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, work, or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a healthcare provider or one visit and a regimen of continuing treatment, 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 work 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 also may be taken on an intermittent or a reduced work schedule basis.

Substitution of paid leave for unpaid leave. Employees may choose or employers may require the use of accrued paid leave while taking FMLA leave. Accordingly, the Town requires employees to use any accrued paid vacation, personal, and sick days during an unpaid FMLA leave taken because of the employees' own serious health condition or the serious health condition of a family member or to care for a seriously ill or injured family member in the military. In addition, employees must use any accrued paid vacation or personal days (but not sick days) during FMLA leave taken to care for a newborn or newly placed child or for a qualifying exigency arising out of a family member's active duty or call to active-duty status in support of a contingency operation. In order to use paid leave for FMLA leave, employees must comply with the Town's normal paid leave procedures found in its Vacation and Sick 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, employees must provide notice as soon as practicable and generally must comply with the Town's normal call-in procedures. The Town may delay leave to employees who do not provide proper advance notice of the foreseeable need for leave, absent unusual circumstances preventing the notice.

Employees must provide sufficient information for the Town 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 healthcare provider, or circumstances supporting the need for military family leave. Employees also must inform the Town if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also are required to provide a certification and periodic recertification supporting the need for leave. The Town also may require a second and, if necessary, a third opinion (at the Town's expense) and, when the leave is a result of the employee's own serious health condition, a fitness-for-duty report to return to work. The Town also may delay or deny approval of leave for lack of proper medical certification.

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

The Town will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employees' FMLA leave entitlement. If the Town determines that the leave is not FMLA-protected, the Town will notify the employees.

Other provisions. Under an exception to the FLSA in the FMLA regulations, hourly amounts may be deducted for unpaid leave from the salary of executive, administrative, and professional employees; outside sales representatives; certain highly skilled computer professionals; and certain highly compensated employees who are exempt from the minimum wage and overtime requirements of the FLSA, without affecting the employees' exempt status. This special exception

to the “salary basis” requirements for the FLSA’s exemptions extends only to eligible employees’ use of FMLA leave.

Employees may not perform work for self-employment or for any other employer during an approved leave of absence, except when the leave is for military or public service or when the Town has approved the employment under its Outside Employment policy and the employees’ reason for FMLA leave does not preclude the outside employment.

Unlawful acts by employers. The FMLA makes it unlawful for any employer (1) to interfere with, restrain, or deny the exercise of any right provided under the FMLA or (2) to discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

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

The FMLA does not affect any federal or state law prohibiting discrimination or supersede any state or local law or collective bargaining agreement that provides greater family or medical leave rights.

Military Leave

The Town of Franklin supports the military obligations of all employees and grants leaves for uniformed service in accordance with applicable federal and state laws. Any employee who needs time off for uniformed service should immediately notify the HR department and their immediate supervisor, who will provide details regarding the leave. If an employee is unable to provide notice before leaving for uniformed service, a family member should notify the supervisor as soon as possible.

Regular/permanent employees who are members of the National Guard or Armed Forces Reserve organization will be granted ten workdays per year for military training with adjusted pay. On rare occasions due to annual training being scheduled on a federal fiscal year basis, an employee may be required to attend two periods of training in one calendar year. For this purpose only, an employee shall be granted an additional ten workdays of military leave during the same calendar year without pay.

Adjusted pay means that the Town will make up the difference between military pay and regular Town base pay. The effect will be to maintain the employee's salary at the normal level during this period. If such duty is required beyond the ten workdays, the employee shall be eligible to take accumulated annual leave or be placed in a leave without pay status, and the provisions of that leave shall apply. Under emergency conditions, additional days of emergency leave may be granted by the Town Manager. While on military leave, benefits and leave will accrue as though on regular Town duty. Employees going into or returning from military service may elect to continue health insurance coverage under the Town’s group as mandated by the Uniformed

Services Employment and Reemployment Rights Act (USERRA) under circumstances outlined in the group plan. These rights apply only to employees and their dependents covered under the plan immediately before leaving for military service.

Part-time employees, who are in a regular/permanent status, shall be allowed to take military leave in proportion to the number of hours worked. Part-time employees taking military leave shall not be paid for more than the normal hours worked in a day.

Employees serving a probationary period, and all temporary employees, must take leave without pay to serve any required duty. Employees serving military duty will be allowed to keep pay received from such duty.

Regular/permanent employees who are guardsmen and reservists have all job rights specified in the Veterans Readjustment Assistance Act. Employees who volunteer for additional duty may use vacation, compensatory time or leave without pay. If there is a compensatory balance, it should be used first for nonexempt employees.

Reinstatement Following Military Service

Upon return from military leave, employees will retain certain rights with respect to reinstatement, seniority, layoffs, compensation, length of service promotions, and length of service pay increases, as required by applicable federal or state law. Failure to report for work within the prescribed time after completion of military service will be considered a voluntary termination.

An employee called to extended active duty with the United States military forces, who does not volunteer for service beyond the period for which called, shall be reinstated with full benefits provided the employee:

- 1) applies for reinstatement within ninety days after the release from military service; and
- 2) is able to perform the duties of the former position or similar position; or
- 3) is unable to perform the duties of the former position or a similar position due to disability sustained as a result of the military service, but is able to perform the duties of another position in the service of the Town. In this case the employee shall be employed in such other position as will provide the nearest approximation of the seniority, status, and pay that the employee would otherwise have been provided, if available.

All employees who enter military service may accumulate a total absence of five years and still retain employment rights.

Jury Duty/Court Appearance

The Town supports employees in their civic duty to serve on a jury. Employees must present any summons to jury duty to their supervisor as soon as possible after receiving the notice to allow advance planning for an employee's absence.

Employees will be provided time off for jury duty in accordance with applicable laws. If an employee is released from jury duty after four hours or less of service, the employee should report to work for the remainder of that workday, unless other arrangements have been made.

Time for appearance in court for personal business will be the individual employee's responsibility. Vacation days will be used for this purpose.

Bereavement Leave

Employees may take up to five (5) days of paid bereavement leave upon the death of a member of their immediate family. "Immediate family members" are defined as an employee's spouse, domestic partner, parents, step-parents, siblings, children, step-children, grandparent, parent-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, or grandchild. All regular, full-time employees may take up to one (1) day off with pay to attend the funeral of an extended family member (aunt, uncle, niece, nephew, and cousins).

If individuals need time off for travel or to handle matters for an immediate family member the employee may use bereavement leave. If individuals need additional time off in excess of five days, accrued compensatory or vacation time may be used, if approved by the department director and Town Manager.

Payment for bereavement leave is computed at the regular hourly rate to a maximum of one day's regular work time. Time off granted in accordance with this policy shall not be credited as time worked for the purpose of computing overtime.

Requesting Bereavement Leave

Employees must submit requests for bereavement leave to his or her supervisor. Bereavement leave requests must be approved by the department director and employee's immediate supervisor. The supervisor shall respond to the leave request from the employee within a reasonable timeframe indicating that the request has been approved or denied.

The Town of Franklin reserves the right to request satisfactory documentation for bereavement leave.

Purchase of Flowers by the Town

If an employee has an immediate family member who passes, the department in which the employee works may request that flowers be purchased and sent to the service. The Human Resources Director will purchase flowers on behalf of the Town. If an individual department wishes to send flowers, funds should be raised by the employees for any additional arrangements.

Time Off for Voting

The Town of Franklin recognizes that voting is a right and privilege of being a citizen of the United States and encourages employees to exercise their right to vote. In almost all cases, employees will have sufficient time outside working hours to vote. If for any reason an employee thinks this will not be the case, they should contact their supervisor to discuss scheduling accommodations.

Domestic Violence Leave

Employees may be granted up to three (3) days of unpaid leave in any 12-month period if the employee or a family or household member of the employee is the victim of domestic violence. Such leave may be used to seek an injunction, obtain counseling or services from a victim-services organization, to make the home secure or seek new housing, or to seek legal assistance arising from the active of domestic violence.

Educational Leave

Upon recommendation of the department director, Human Resources Director, and Town Manager, subject to the approval of the Town Council, an employee may be granted an educational leave of absence without pay for a period not to exceed twelve (12) months, or Educational Leave with pay (using accrued compensatory and vacation time) provided such arrangements are agreeable to all parties.

Workers' Compensation Leave

An employee absent from duty because of sickness or disability covered by the North Carolina Worker's Compensation Act may receive Workers' Compensation benefits and may elect to use accrued sick or vacation leave during the first waiting period.

The employee will continue to accrue leave at his/her normal rate. The Town will continue to pay individual health insurance coverage on the employee, and may be permitted to continue to be eligible for benefits under the Town's other group insurance plans.

Upon retirement, an employee's salary will be computed on the basis of the last salary earned plus any increment or other salary increase to which the employee would have been entitled during the disability covered by Workers' Compensation.

Leave Offsetting Policy

If employees work additional hours outside of their normal schedule in a work week in which they also have scheduled or taken time off be it vacation, sick, or compensatory time, the

additional time worked “offsets” the time that the employee intended to cover with available time.

The number of leave hours originally charged must be reduced by the number of additional hours worked. This offset is mandatory; the employee cannot be paid both for the leave time and the time outside of the normal schedule.

SEPARATION AND REINSTATEMENT

Types of Separation

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

Resignation

In all cases of voluntary resignation (one initiated by the employee), employees are asked to provide a written notice to their supervisors at least two weeks (10 working days) in advance of the last day of work. The 10 days must be actual working days. Holidays will not be counted toward the 10-day notice. Employees who provide the requested amount of notice will be considered to have resigned in good standing and generally will be eligible for rehire.

An employee who does not provide the required notification shall have recorded on his/her service record that s/he resigned without giving proper notice, and shall forfeit payment for accumulated vacation leave unless the notice is waived upon recommendation of the department director, Human Resources Director and approved by the Town Manager.

An employee who is absent from work two (2) consecutive days without reporting to the supervisor the reason for his/her absence, shall be considered to have terminated his/her employment without notice, and notation to this effect shall be recorded on the employee's service record.

The Human Resources Director will conduct an exit meeting on or before the last day of employment to collect all Town property and to discuss final pay. If applicable, information regarding benefits continuation through the Consolidated Omnibus Budget Reconciliation Act (COBRA) will be sent to the employee's home address.

Elimination of Position

- a. Reduction in Force. For reasons related solely to fiscal concerns either during preparation of the budget or after adoption of the budget, the Town Council may reduce the work force by elimination of any position or class of positions, by the reduction in the number of work hours for any position or class of positions, or by any combination of the elimination of positions and reduction in work hours. Employees who are separated because of reduction in force shall be given at least two (2) weeks' notice of anticipated action. No regular/permanent employee shall be separated while there are temporary or probationary employees serving in the same class unless the regular/permanent employee is not willing to transfer to the position held by the temporary or probationary employee. Under the provisions of reduction in force, the Council has the option to make changes in work time and/or work load to accomplish the reduction. Employees who are separated because of reduction in force may be allowed to continue the health insurance program under COBRA regulations.

- b. Efficiency concerns. For reasons related to improvements in technology, operational changes, restructuring and shifts to duties between or among departments or divisions of departments, positions or classes of positions may be eliminated or the work hours reduced by the Town Manager in order to promote efficiency. Employees who are separated because of efficiency concerns shall be given at least two (2) weeks' notice of anticipated action. No regular/permanent employee shall be separated while there are temporary or probationary employees serving in the same class unless the regular/permanent employee is not willing to transfer to the position held by the temporary or probationary employee. Under the provisions of efficiency concerns, the Council have the option to make changes in work time and/or work load to accomplish efficiency desired. Employees who are separated because of efficiency concerns may be allowed to continue the health insurance program under COBRA regulations.

Voluntary Retirement

Town employees participate in and are eligible to retire under the North Carolina Local Governmental Employees Retirement System. Any employee who is planning to retire must submit a written request to the Human Resources Director at least 90 days prior to the planned effective retirement date. Those employees retiring from Town service shall be paid for all vacation leave not used at the time of retirement. Employees will have the option to roll unused vacation leave to sick leave prior to retirement. Employees may apply all unused sick leave to retirement credit, in accordance with NC GS.

Employee Appreciation Upon Retirement

When a full-time employee retires with an acceptable amount of service to the Town of Franklin, he or she will be awarded a plaque reflecting the Town Council's appreciation of service and a gift of the employee's choosing. If a 30 year or more employee so wishes, the Town will also host a reception for the retiring employee. Acceptable years of service and gift values are as follows; At least 30 years of service to the Town will warrant a \$300 gift, 20 - 29 years of service will be a \$200 gift, 15-19 years of service will be a \$150 gift, and 10-14 will be a \$100 gift.

Death

All compensation due to an employee who dies while employed by the Town will be paid to the estate of the deceased employee. The date of death will be used as the date of termination of employment for the purpose of calculating compensation.

Disciplinary Actions

An employee may be dismissed in accordance with the provisions and procedures of Unsatisfactory Job Performance and Detrimental Personal Conduct outlined in this personnel manual.

Reinstatement

An employee who is separated due to a reduction in force shall be given the first opportunity to be rehired in the same or a similar position and may be reinstated within six (6) months of the

date of separation, with the approval of the department director and the Town Manager, with full benefits. An employee who is reinstated shall be credited with previous service and previously accrued sick leave and will receive all benefits provided in accordance with this policy. The salary paid a reinstated employee shall be as close as reasonably possible, given the circumstances of each employee's case, to the salary step previously attained by the employee in the salary range for the previous class of work, plus any across-the-board pay increases.

An employee who resigns while in good standing may be rehired with the approval of the Town Manager, and shall be regarded as a new employee.

Police Officer – Service Weapons

A sworn full-time police officer may receive his or her service weapon upon retirement after a minimum of 15 years of service to the Town of Franklin upon approval of the Police Chief and the Town Manager. The retiring officer will be required to pay an amount of \$1 for the weapon. The request for the service weapon must be in writing along with proper retirement notice.

LEO Early Separation (Buy-Out)

When funds are available, at the sole discretion of the Town Council, law enforcement officers may be offered an early separation buyout pursuant to G.S. 143-166.43 or other applicable law. The Town Manager shall design an annual process for eligible employees to provide a one-time payout equal to the annual salary of an employee with 25 years or more of employment. This amount will be equal to one year of salary based on 2,080 hours in a year. An employee who is interested in taking a buyout will need to submit a letter of interest to the Town Manager by February 1. If proper notice is not received then it may not be approved. Funds must be budgeted in the annual Fiscal Year Budget by the Town Council.

Employees who are eligible for this stipulation will also be eligible for Town of Franklin health insurance coverage for employee (individual) only until he/she reaches the age of Medicare eligibility at 65 or becomes covered under another plan. At which time that employee/individual is required to inform town staff of such coverage and town health insurance coverage will cease. If proper notice is not given concerning other insurance, then the former employee may be liable for the premiums that were incorrectly paid out.

THE PAY PLAN

Composition and Approval

The pay plan includes the salary schedule and the assignment of classes to salary grades approved by the Town of Franklin Council. The salary schedule consists of a Minimum, Midpoint, and Maximum for each job classification.

This policy is intended to describe the step and grade classification process as it relates to compensation across the organization. This policy will comply with applicable federal, state and local wage and hour laws.

This policy applies to all employees (e.g. full-time, part-time, and reserve officers) for the proper classification and corresponding pay.

Nothing in this policy shall be interpreted to create any entitlement to increases in pay or other benefits. Eligibility for a step increase does not create or imply entitlement. All increases provided herein remain in the discretion of the Town Council through the budget process.

This step and grade model was developed to provide a transparent, predictable and equitable pay scale and to provide opportunities for salary adjustments for those who may not have the ability to obtain advanced certifications, or who may have reached a level in their career where there is little advancement potential.

Position Descriptions

In order for the step and grade system to be effective, all position descriptions are reviewed and updated as necessary to ensure that all duties and responsibilities are properly reflected. This review will occur no less than every two years.

All positions should include the level of skills and experience required for each position and the level of operational impact the position has within the Town.

Starting Salary

The goal of the step and grade system is to provide equitable pay for individuals performing the same job. The adopted step and grade program assumes that the starting hiring pay will be at the grade base for all positions. Steps are not equivocal to years of service; they are steps within the pay scale.

If an individual has additional qualifications, certifications or experience, there is the potential to be hired at a step that is not the base, only if approved by the Town Manager and provided there are funds in the budget for such an initial adjusted salary.

Annual Performance Review

The Town of Franklin will utilize an annual performance review tool for all employees as a basis for whether or not the employee qualifies for the step increase.

1. Individuals who receive a less than satisfactory score on their annual performance review will not be eligible for a step increase and should have a work plan in place to allow for performance improvement feedback within a specified timeframe.
2. Individuals who receive a satisfactory score on their annual performance review will be eligible for a step increase.
3. Individuals who have not been in their current position for at least six (6) months will not be eligible to receive a step increase.
4. Individuals who have received a written warning during the 12-month period immediately prior to the annual performance review will not be eligible to receive a step increase and should have a work plan in place.

Budgetary Considerations for Pay Plan Increases

Step increases can only be approved by the Town Council as part of the budget process. There may be years when no step increase is included in the budget. Any step increases will be effective July 1 and salary adjustments will be reflected during the first full pay period in July. Utilizing step increases will minimize the frequency of cost-of-living adjustments (COLA) and the need to adjust the pay scale as a whole.

Step increases are separate from any bonuses that the Town Council may choose to award to staff during the year such as holiday or other bonuses.

Any certifications that are received during the year may impact where the step will be for any future adjustments. For example: if an individual is at the base salary during their first year of service to the Town and receives a 2% certification increase during the fiscal year, and the adjusted salary is between step 1 and 2, when a step increase is granted in the subsequent year, they would move to step 2. Steps are not equivocal to years of service; they are steps within the pay scale.

Step and Grade Table

The step and grade table will be approved by the Town Council as part of the compensation and classification program. Only when there is a change due to a COLA will the table need to be updated. The table is based on a 25-step pay scale for each pay grade with 50% of the pay prior to the mid-point and 50% after the mid-point.

Administration and Maintenance of the Pay Plan

The pay of Town employees shall be administered in a fair and systematic manner in accordance with work performed. The Town shall have a pay structure that is externally competitive, that maintains proper internal relationships among all positions based on the relative level of duties and responsibility, and that recognizes performance levels as the basis for pay increases within the established pay ranges. The program shall provide for effective control of pay on a uniform basis, shall permit decentralization of pay decisions while maintaining appropriate control, and shall evaluate each employee in accordance with the Town's Performance Evaluation Policy.

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

The Human Resources Director shall, from time to time, make comparative studies of all factors affecting the level of salary ranges and shall recommend to the Town Manager, such changes in salary ranges as appear to be warranted. The Board shall adopt the salary schedule and assignment of job classes to salary grades, including adjustments made by the Town Manager during the previous budget year, as part of the annual budget process. The Town Manager may approve in-range adjustments to employee salaries when necessary to accommodate inequities, special performance or achievements, or other issues.

Trainee and Work Against Designation and Salaries

Applicants being considered for employment or Town employees who do not meet all of the requirements for the position for which they are being considered may be hired, promoted, demoted, or transferred by the Town Manager to a "trainee" status, or as a "work against" for classes under the State Personnel Act. (At present, there are no positions under the State Personnel Act.)

The supervisor shall prepare a plan for training to meet the minimum qualifications for the job classification including a time schedule. An employee shall remain at the trainee or "work against" salary level until the Department head certifies that the employee is qualified to assume

full responsibilities of the position and the Town Manager approves the certifications. The Department head shall review the progress of each employee in a trainee or "work against" status every six months or more frequently as necessary to determine when the employee is qualified to assume full responsibilities of the position.

"**Trainee**" salaries may be one to three grades below the minimum salary established for the position for which the person is being trained. Assignment three grades below the minimum is appropriate when the trainee period is expected to last two or more years. Assignment two grades below the minimum is appropriate for more than nine months but less than two years. The actual assignment should be reviewed and approved by the Human Resources Director. A new employee designated as "trainee" shall be in a probationary status until requirements for the full job class are met. General Town employees in "work against" positions are also probationary status until full requirements for the class are met.

If the training is not successfully completed as planned, the employee shall be transferred, demoted, or dismissed. If the training is successfully completed, the employee shall be paid at least at the minimum rate established for the job class.

Probationary Pay Increases

Employees may receive a salary increase within the salary range upon successful completion of the probationary period. The probationary period is six (6) months with a potential for extension to nine (9) months if the department director feels that there is additional skill building or training required.

Salary Effect of Promotions, Demotions, Transfers, and Reclassifications

Promotions. When an employee is promoted to a position with a higher salary grade the employee's salary shall normally be advanced to at least the Minimum level of the new position. However, the new salary may not exceed the maximum rate of the new salary range. The purpose of the promotional pay increase is to recognize and compensate the employee for assuming increased responsibility. The amount of the salary adjustment should be based on:

- a) the employee's related education, training, and experience;
- b) the nature and magnitude of the change in jobs;
- c) budget availability;
- d) consistency with similar situations in the past;
- e) internal equity within the work unit; and
- f) other relevant issues.

Cost of living (or market adjustments), probationary increases for a previous job, and other in-range increases cannot take the place of a promotional increase. The position of the employee's

adjusted salary within the new range shall not exceed the position of the employee's salary within the current range.

Demotions. When an employee is demoted to a position for which qualified, the salary shall be set at the rate in the lower pay range which provides a salary commensurate with the employees' qualifications to perform the job when the demotion is not the result of discipline. If the current salary is within the new range, the employee's salary may be retained at the previous rate, if appropriate. Consideration should be given to whether the employee is receiving the same pay for decreased workload or responsibility level and action should be appropriate to this consideration.

Transfers. The salary of an employee reassigned to a position in the same class or to a position in a different class within the same salary grade shall not be changed by the reassignment.

Reclassifications. An employee whose position is reclassified to a class having a higher salary range shall receive a pay increase at least to the Minimum of the new pay range. If the position is reclassified to a lower pay range, the employee's salary shall remain the same. If the employee's salary is above the maximum established for the new range, the salary of that employee shall be maintained at the current level until the range is increased above the employee's salary.

Salary Effect of Salary Range Revisions

When a class of positions is assigned to a higher salary range as a result of labor market conditions, employees in that class shall receive a pay increase for each salary grade increase. When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If the assignment to a lower salary range results in an employee being paid at a rate above the maximum step established for the new class, the salary of that employee shall be maintained at that level, until such time as the employee's salary range is increased above the employee's current salary.

Transition to a New Salary Plan

The following principles shall govern the transition to a new salary plan if the Town Council approves such a transition:

- a) No employee shall receive a salary reduction as a result of the transition to a new salary plan.
- b) All employees being paid at a rate lower than the minimum rate established for their respective classes shall have their salaries raised to the new minimum for their classes. The only exception will be those employees in probationary status and currently being

paid at the hiring rate, a trainee rate, or in a "work against" status. They will remain in their same relative pay status in the new salary grade assigned.

- c) All employees being paid at a rate above the minimum and below the maximum are considered as being paid at a competitive rate for the job class and may receive any approved salary plan implementation increases as authorized by the Town Council.
- d) All employees being paid at a rate above the maximum rate established for their respective classes shall be maintained at that salary level until such time as the employees' salary range is increased above the employees' current salary.

Effective Date of Salary Changes

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

Longevity Pay

Longevity pay is to recognize continuous service of regular/permanent, full-time and part-time employees. Longevity pay is an automatic, annual payment, made in a lump sum at the end of the month upon which the employee's anniversary date falls.

<u>YEARS OF SERVICE</u>	<u>LONGEVITY PAY RATE</u>
5 but less than 10 years	0.5% (As of July 1, 2022)
10 but less than 15 years	1.00%
15 but less than 20 years	1.50%
20 but less than 25 years	2.25%
25 or more years	3.25%

To be eligible to receive longevity pay the employee must meet the following requirements:

- a) An employee shall have at least five (5) years of qualifying service with the Town of Franklin, and the town will also recognize a maximum of seven (7) years of other service within the North Carolina Local Government Retirement System or equivalent as determined by the Town Manager and Human Resources Director.
- b) The employee must have a full-time or part-time, regular/permanent appointment and receive compensation for at least 75% or 1,570 hours pay at the same rate.

- c) Credit for the service requirement shall not be given for temporary full-time, or temporary part-time employment. No longevity shall be paid until after the initial 12-month employment with the Town of Franklin.
- d) Town service is the time for continuous, regular/permanent, trainee, and probationary employment. If an employee is in pay status through working, using vacation or sick leave, drawing Worker's Compensation, or on authorized military leave for one-half or more of the regularly scheduled workdays in a month, credit shall be given toward qualifying service.
- e) Regular/permanent, part-time employees will receive longevity pay in proportion to the number of hours regularly scheduled to work.
- f) Longevity will be prorated and paid at termination of employment to qualified employees. Qualified Employees are those who have not been paid their longevity within the fiscal year of their retirement date and for whom longevity has been budgeted.

The Finance Officer and Human Resource Director shall be responsible for initiating the necessary steps for payment.

Termination Pay

Upon termination of employment, an employee is entitled to payment, in the regular scheduled pay period, for unused annual leave (compensatory and vacation time) up to a maximum of 240 hours (30 days), less any deductions for debts outstanding against the Town. No sick leave shall be paid upon termination of employment. The Finance Officer shall deduct withholdings from the final paycheck any amount owed the Town for group insurance premiums or approved advanced leave. The final payment for unused vacation leave will be combined with the last paycheck when possible.

No severance pay will be allowed unless specifically approved by the Town Council.

EMPLOYEE BENEFITS

The Town of Franklin recognizes the value of benefits to employees and their families. The Town supports employees by offering a comprehensive and competitive benefits program. For more information regarding benefit programs, please refer to the Town Summary Plan Descriptions (SPDs), which are found in the HR department. To the extent the information provided here conflicts with the SPD or full plan document, the full plan document will control.

Medical and Dental Insurance Eligibility

Full-time employees working 30 hours or more per week are eligible for insurance on the first of the month following 30 days of service. To keep coverage in force, every insured employee must work a minimum of 30 hours per week.

Group Life and Accidental Death and Dismemberment Insurance

The Town of Franklin provides life insurance for full-time employees who work a minimum of 30 hours per week. Employees are eligible for this benefit on the first of the month following 30 days of service. The life benefit is \$50,000. The cost of this coverage is paid for in full by the Town. Employees have the option to purchase additional coverage through supplemental benefit providers and via payroll deduction.

Group Medical Benefits

The Town provides to all regular/permanent employees a group Health Insurance Plan. Coverage is effective on the first of the month following first day of employment or on the first of the month following thirty days of employment depending on budgeted funds. The Town pays the full cost of the monthly insurance premium for regular/permanent fulltime employees. Other coverage is paid up to a maximum amount decided upon by the Town Council.

Upon termination employees are eligible for continued coverage under COBRA (Consolidated Omnibus Budget Reconciliation Act). Town paid coverage will end on the last day of the month in which an employee's final day is worked.

Retirees. The Town will continue to pay for employee only coverage for those retirees who satisfy the following conditions and who remain covered on its health insurance benefits until such retiree becomes eligible to enroll in Medicare (based on age or disability) or retiree obtains other health insurance coverage under a different employer:

- The Town will pay the full cost of employee only coverage for retirees with 30 years of service provided that at least five (5) years of continuous service with the Town of Franklin occurs immediately before service retirement.

- The Town will pay 75 percent of the cost of employee only coverage for retirees with 20 years of service with the Town of Franklin if the retiree is 60 or older.
- The Town will pay 50 percent of the cost of employee only coverage for retirees with at least 15 years of service with the Town of Franklin who are at least 60 years of age.
- Retirees may choose to continue to cover family members who were covered as of the date of retirement from the Town for a period of no more than five (5) years from the date of retirement. The retiree shall be responsible for the cost of coverage for such family member(s). Coverage for family members will cease once the retiree becomes eligible to enroll in Medicare, enrolls in other coverage through another employer, dependent becomes eligible to enroll in Medicare based on age or disability, or the expiration of the five (5) year period, whichever comes first. Continuation of coverage under COBRA shall only be available during the first three years following the date of retirement of the employee.
- In the event that an employee fails to pay their share of coverage (either for employee only or for coverage of any family member(s)) for two consecutive months, health insurance may be canceled completely with approval from the Town Manager.
- LEO early separation guidelines are included in this personnel manual on page 55.

The Town shall pay the cost of such continued coverage at the current town levels at the time of retirement. Dependents will be eligible for qualified service under COBRA.

Group Dental Insurance

Dental coverage will be made available to all full-time employees and their eligible dependents. Dental coverage for all employees will become effective on the first day of the month following 30 (thirty) days of continuous employment. Coverage for eligible employees is paid by the Town, dependent coverage is provided at the group rate. The employee and dependents will be eligible for qualified service under COBRA; retiree dental insurance is not paid for by the Town.

Optional Insurance Benefits

The Town handles payroll deductions for employees through several insurance and deferred compensation agencies/companies. Information is made available through the respective companies and departments will be notified when agents are working the group.

401(k) and 457(b) Plans

The Town of Franklin recognizes the importance of saving for retirement and offers eligible employees a 401(k) plan.

The Town provides a 401(k) plan, which allows employees to defer a portion of their income before taxes into a 401(k) tax deferral plan. The Town provides a contribution of 5% for Town employees enrolled in the Local Government Employees' Retirement System.

The Town provides a contribution of 5% to a 401(k) plan for active law enforcement personnel enrolled in the North Carolina Law Enforcement Officers Retirement System as required by State law. The Town also pays a separation allowance to retired law enforcement officers as required by General Statutes.

The 457(b) plan is offered to employees of state and local governments and nonprofits. It is a retirement savings plan that offers tax advantages to participants. The 457 plan allows employees to deposit a portion of their pre-tax earnings in an account, reducing their income taxes for the year while postponing the taxes due until the money is withdrawn. A Roth version of the 457 plan, which allows after-tax contributions, is also an option.

Eligibility, vesting, and all other matters relating to these plans can be explained by the Human Resources Director.

Workers' Compensation

Workers' compensation is a "no-fault" system that provides compensation for medical expenses and wage losses to employees who are injured or who become ill because of employment.

The Town of Franklin pays the entire cost of workers' compensation insurance. The insurance provides coverage for related medical and rehabilitation expenses and a portion of lost wages to employees who sustain an injury on the job.

The Town abides by all applicable state workers' compensation laws and regulations.

If an employee sustains a job-related injury or illness, it is important to notify the supervisor and HR immediately. The supervisor will complete an injury report with input from the employee and return the form to the HR department. HR will file the claim with the insurance Town. In cases of true medical emergencies, report to the nearest emergency room.

Workers' compensation benefits (paid or unpaid) will run concurrently with FMLA leave, if applicable, where permitted by state and federal law. In addition, employees will not be paid vacation or sick leave for approved absences covered by the Town's workers' compensation program, except to supplement the workers' compensation benefits such as when the plan only covers a portion of the employees' salary as allowed by state law.

Law Enforcement Officers Separation Allowance (LEOSA)

The Town of Franklin will provide a special separation allowance to qualified officers who retire early and meet all of the following qualifications.

Effective July 1, 2025: Law Enforcement Officers may select from two (2) LEOSA calculation options. The election by the officer is a one-time, irrevocable election and shall be made in writing prior to the first allowance payment. If no election is made by the officer, then the calculation amount of option 2 will be used.

(Option 1) Original Option:

The annual special separation allowance is paid equal to eighty-five hundredths percent (0.85%) of the annual base rate of compensation most recently applicable to the office for year of that officer's creditable service.

1) The officer must have completed 30 years or more of creditable service or have attained 55 years of age and have completed 5 or more years of creditable service; 2) The officer is less and 62 years of age; and 3) The officer must have completed at least 5 years of continuous service as a law enforcement officer with the Town of Franklin immediately before service retirement.

Payment of the separation allowance will cease if the Officer 1) reaches age 62; 2) dies; or 3) is re-employed in any capacity by the State of North Carolina or any of its political sub-divisions. All law enforcement officers automatically become members of the State Supplemental Retirement Income Plan on the date of hire.

(Option 2) 30- Year Fixed Benefit Option:

The annual special separation allowance is paid equal to eighty-five hundredths percent (0.85%) of the annual base rate of compensation at the time the officer attained 30 years of service multiplied by 30.

1) The officer must have completed 30 years or more of creditable service prior to attaining 62 years of age; and 2) The officer must have completed at least 5 years of continuous service as a law enforcement officer with the Town of Franklin immediately before service retirement.

Payment of the separation allowance will cease for the Officer 1) when the period of receiving the allowance that is equivalent to the total of 62 years minus the age at which the officer first completed 30 years of creditable service; 2) dies; or 3) is re-employed in any capacity by the State of North Carolina or any of its political sub-divisions. All law enforcement officers automatically become members of the State Supplemental Retirement Income Plan on the date of hire.

Retirement

Social Security – As required by the Federal Government employees contribute a set percentage of their salary to the Federal Social Security Program. This amount is matched by the Town.

Retirement System – Regular/permanent employees working a minimum of twenty (20) hours per week will be enrolled in the Local Government Employees’ Retirement System (qualifying law enforcement officers will be enrolled in the N.C. Law Enforcement Officers Retirement System). The employee’s contribution, through payroll deduction, is 6% of gross salary. This contribution is not subject to state or federal taxes. The Town contributes a variable percentage that is set by the Retirement System.

Death Benefit – After one year of employment, members of the Retirement System(s) automatically are eligible for death benefit \$25,000 – \$50,000 pursuant to provisions set forth by Local Government Retirement System.

Separate Insurance Benefits for Law Enforcement Officers – If a law enforcement officer is killed in the line of duty, benefits are paid from a separate insurance plan handled by the Retirement System.

Unemployment Compensation

Town employees who are laid off or dismissed from the Town service may apply for unemployment compensation through the local office of the Employment Security Commission (ESC) or online via the NC Department of Employment Security website. Eligibility for unemployment compensation will be determined by the ESC.

Employee Assistance Program

The employee assistance program (EAP) is a resource designed to provide highly confidential and experienced help for employees in dealing with issues that affect their lives and the quality of their job performance. The Town of Franklin wants employees to be able to maintain a healthy balance of work and family that allows them to enjoy life. The EAP is a confidential counseling and referral service that can help employees successfully deal with life’s challenges.

The Town encourages employees to use this valuable service whenever they have such a need. Employees who choose to use these counseling services are assured the information disclosed in their sessions is confidential and not available to the Town, and the Town is not given any information on who chooses to use the services. For questions or additional information about this program, employees may contact the HR department.

WORKPLACE SAFETY

Drug-Free and Alcohol-Free Workplace

It is the policy of the Town of Franklin to maintain a drug- and alcohol-free work environment that is safe and productive for employees and others having business with the Town.

The unlawful use, possession, purchase, sale, or distribution of or being under the influence of any illegal drug or controlled substance (including medical marijuana) while on Town or client premises or while performing services for the Town is strictly prohibited. The Town of Franklin also prohibits reporting to work or performing services under the influence of alcohol or consuming alcohol while on duty or during work hours. In addition, the Town of Franklin prohibits off-premises abuse of alcohol and controlled substances (including medical marijuana), as well as the possession, use, or sale of illegal drugs, when these activities adversely affect job performance, job safety, or the Town's reputation in the community.

To ensure compliance with this policy, substance abuse screening may be conducted in the following situations:

Preemployment: as required by the Town for all prospective employees who receive a conditional offer of employment;

For cause: upon reasonable suspicion that the employee is under the influence of alcohol or drugs that could affect or have adversely affected the employee's job performance;

Post Accident: any employee involved in an accident resulting in personal injury, requiring immediate medical attention while operating a town vehicle or other equipment regardless of whether the employee is charged as a responsible party or resulting in over \$1,000 in damages; and

Random: as authorized or required by federal or state law.

Compliance with this policy is a condition of employment. Employees who test positive or who refuse to submit to substance abuse screening will be subject to termination. Notwithstanding any provision herein, this policy will be enforced at all times in accordance with applicable state and local law.

Any employee violating this policy is subject to discipline, up to and including termination. A full copy of the Town of Franklin Drug and Alcohol Policy is provided to all employees at the time of onboarding and is available in the Human Resources Department at any time.

Tobacco-Free Workplace

Tobacco is not allowed in Town buildings or work areas at any time. This includes the use of any tobacco products (including chewing tobacco), electronic smoking devices (vapes), and e-cigarettes.

Smoking is only permitted during break times in designated outdoor areas. Employees using these areas are expected to dispose of any smoking debris safely and properly.

Workplace Violence Prevention

The Town of Franklin is committed to providing a safe, violence-free workplace for our employees. Due to this commitment, the town discourages employees from engaging in any physical confrontation with a violent or potentially violent individual or from behaving in a threatening or violent manner. Threats, threatening language, or any other acts of aggression or violence made toward or by any employee will not be tolerated. A threat may include any verbal or physical harassment or abuse; attempts to intimidate others; menacing gestures; stalking; or any other hostile, aggressive, and/or destructive actions taken for the purposes of intimidation. This policy covers any violent or potentially violent behavior that occurs in the workplace or at town-sponsored functions.

All Town of Franklin employees bear the responsibility of keeping our work environment free from violence or potential violence. Any employee who witnesses or is the recipient of violent behavior should promptly inform their supervisor, Town Manager, or HR Director. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat in good faith under this guideline.

Any individual engaging in violence against the Town, its employees, or its property will be prosecuted to the full extent of the law. All acts will be investigated, and the appropriate action will be taken. Any such act or threatening behavior may result in disciplinary action up to and including termination.

The Town of Franklin prohibits the possession of weapons on its property at all times, including our parking lots or town vehicles. Additionally, while on duty, employees may not carry a weapon of any type. Weapons include, but are not limited to, handguns, rifles, automatic weapons, knives that can be used as weapons (excluding pocket knives, utility knives, and other instruments that are used to open packages or cut string and for other miscellaneous job-related tasks), martial arts paraphernalia, stun guns, and tear gas. Any employee violating this policy is subject to discipline up to and including dismissal for the first offense.

The Town reserves the right to inspect all belongings of employees on its premises, including packages, briefcases, purses and handbags, gym bags, and personal vehicles on town property. In addition, the Town of Franklin may inspect the contents of lockers, storage areas, file cabinets, desks, and workstations at any time and may remove all town-owned property and other items that are in violation of town rules and policies.

Commitment to Safety

Protecting the safety of our employees and visitors is the most important aspect for the Town of Franklin.

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

Additional detailed procedures regarding safety, worker's compensation, injury, and infection control may be established by the Town Manager.

In the event of an emergency, notify the appropriate emergency personnel by dialing 9 for an outside line, then dialing 9-1-1 to activate the medical emergency services.

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident and the proper documentation completed and submitted to Human Resources.

Emergency Closings and Adverse Weather

The Town of Franklin will always make every attempt to be open for business. In situations in which some employees are concerned about their safety, management may advise supervisors to notify their departments that the office is not officially closed, but employees may choose to leave the office if they feel uncomfortable. Employees who, of their own volition, leave work before an official early closing time has been announced, will be required to use vacation leave or compensatory time.

Under no circumstances will department directors or supervisors release employees and close operations without direct approval from the Town Manager.

Cancellation During the Workday

On the occasion of severe weather occurring during the routine office day, the decision to close Town offices early will be made by the Town Manager. Department heads and supervisors will be notified.

If the office is officially closed during the course of the day to permit employees to leave early, nonexempt employees who are working on-site as of the time of the closing will be paid for a full day. If employees leave earlier than the official closing time, they will be paid only for actual hours worked, or they can take leave time. Exempt employees will be paid for a normal full day but are expected to complete their work at another time.

Delayed Opening of Town Offices

Following the occurrence of severe weather conditions overnight, Town offices will attempt to open on a regular schedule. Town employees should assess the road and travel conditions in their area and report to work as soon as practical using their own discretion. Employees should notify their supervisor or department director of their status. Employees will be paid for the time between regular opening and the delayed opening if they report to work.

Any employees not reporting to work for reason of adverse weather have the following options:

- a. Make up as much as 2 hours of work per work day by the end of the work week by working during lunch or before or after hours. All leave must be documented and approved by department directors. This must be done in order to be in compliance with Federal Fair Labor Standards.
- b. Using accrued compensatory leave.
- c. Using accrued vacation leave.

Closing of Town Offices

In the event that a weather event or other event requires that the Town Offices be closed for an entire day, employees will be paid under the code Administrative Leave for those employees who are not required to come in. Those who must work for a partial day will be allowed to use Administrative Leave to fulfill the hours for a regularly scheduled workday.

If an employee was previously scheduled to be off on a day when the office needs to be closed, the appropriate leave time must still be used.

Exclusions From the Adverse Weather Policy

1. All law enforcement and fire department personnel are specifically excluded from this policy. Work hours will continue to be set at the discretion of the respective department director provided that service provision continues without interruption.
2. Maintenance and other departmental personnel necessary for snow removal operations or critical functions will work such hours as needed, and shall have any overtime approved by the department director.

Visitors

In order to maintain security and safety for our employees, the Town of Franklin has the following policy with respect to visitors:

All visitors must check in with the front desk in any building, and must be escorted by an employee.

This policy applies to anyone who is not an active employee, including employees on leave, former employees, vendors, and suppliers.

Generally, friends and family members are permitted to visit employees at the workplace providing that it is within the confines of an office environment. No visitors may be at an active worksite or in an industrial area.

PERSONNEL FILES

Employee files are maintained by the HR department and are considered confidential. The Human Resources Director will retain records necessary for the proper administration of the personnel system. Managers and supervisors may only have access to personnel file information on a need-to-know basis. Employees may inspect their own personnel files and may copy them but may not remove documents from their file. Inspections by employees must be requested in writing to the HR department and will be scheduled at a mutually convenient time or as required under state law. Personnel files are to be reviewed in the HR department. Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

Public Information

In compliance with GS 160A-168, the following information with respect to each Town employee is a matter of public record: name; age; date of original employment or appointment to the service; current position title; current salary; date and amount of the most recent increase or decrease in salary; date of the most recent promotion, demotion, transfer, suspension, separation, or other change in position classification; and the office to which the employee is currently assigned. Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the Town may adopt.

Access to Confidential Records

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

- a. The employee or his/her duly authorized agent may examine all portions of his/her personnel file except letters of reference solicited prior to employment, and information concerning a medical disability, mental or physical, that a prudent physician would not divulge to the patient.
- b. A licensed physician designated in writing by the employee may examine the employee's medical record.
- c. A Town employee having supervisory authority over the employee may examine all material in the employee's personnel file.
- d. By order of a court of competent jurisdiction, any person may examine all material in the employee's personnel file.
- e. An official of an agency of the State or Federal Government, or any political subdivision of the State, may inspect any portion of a personnel file when such inspection is deemed by the Town Manager to be necessary and essential to the pursuit of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution of the employee, or for the purpose of assisting in an investigation of the employee's tax liability.

However, the official having custody of the personnel records may release the name, address, and telephone number from a personnel file for the purpose of assisting in a criminal investigation.

- f. An employee may sign a written release to be placed in his/her personnel file that permits the record custodian to provide, either in person, by telephone, or by mail, information specified in the release to prospective employers, educational institutions, or other persons specified in the release.
- g. The Town Manager, with the concurrence of the Town Council, may inform any person of the employment, non-employment, promotion, demotion, suspension or other disciplinary action, reinstatement, transfer, or termination of a Town employee, and the reasons for that action. Before releasing that information, the Town Manager shall determine that the release is essential to maintaining the level and quality of Town services. The written determination shall be retained in the Town Manager's office, is a record for public inspection, and shall become a part of the employee's personnel file.

The Town Council may establish procedures for all personnel files containing information other than the public information mentioned above whereby an employee who objects to material may seek to have the material removed from the file or may place in the file a statement relating to the material.

Personnel Actions and Records

The Human Resources Director, with the approval of the Town Manager, will prescribe necessary forms and reports for all personnel actions and will retain records necessary for the proper administration of the personnel system. The official personnel files are those which are maintained by the Human Resources Department. These files shall contain documents such as employment applications and related materials, records of personnel actions, documentation of employee warnings, disciplinary actions, performance evaluations, retirement and insurance records, letters of recommendation, and other personnel-related documents. Any documents not contained in these files or maintained as designated by the Human Resources Director are not an official part of the personnel file.

Records of Former Employees

The provisions for access to records apply to former employees as they apply to present employees. Per Record Retention Policies, records of former employees will be kept for 30 years after the last date worked.

Remedies of Employees Objecting to Material in File

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

Penalties for Permitting Access to Confidential Records

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

Examining and/or Copying Confidential Material without Authorization

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

Destruction of Records Regulated

No public official may destroy, sell, loan, or otherwise dispose of any public record, except in accordance with GS 121.5 (b), without the consent of the State Department of Cultural Resources. Whoever unlawfully removes a public record from the office where it is usually kept, or whoever, alters, defaces, mutilates or destroys it will be guilty of a misdemeanor and upon conviction will be fined in an amount provided in Chapter 132.3 of the General Statutes.

DISCIPLINARY PROCEDURE

The Town of Franklin expects employees to comply with the Town's standards of behavior and performance and to correct any noncompliance with these standards.

Under normal circumstances, the Town of Franklin endorses a policy of progressive discipline in which it attempts to provide employees with notice of deficiencies and an opportunity to improve. It does, however, retain the right to administer discipline in any manner it sees fit. This policy does not modify the status of employees as employees at will or in any way restrict the Town's right to bypass the disciplinary procedures suggested.

Disciplinary Action for Unsatisfactory Job Performance

A regular or permanent employee may be placed on disciplinary suspension (with or without pay), demoted, or dismissed for unsatisfactory job performance, if after following the procedure outlined below, the employee's job performance is still deemed to be unsatisfactory. All cases of disciplinary suspension, demotion, or dismissal must be approved by the Human Resources Director and Town Manager prior to giving final notice to the employee.

Unsatisfactory Job Performance Defined

Unsatisfactory job performance includes any aspects of the employee's job which are not performed as required to meet the standards set by the supervisor. Examples of unsatisfactory job performance include, but are not limited to, the following:

- 1) Demonstrated inefficiency, negligence, or incompetence in the performance of duties;
- 2) Careless, negligent or improper use of Town property, equipment and vehicles;
- 3) Physical or mental incapacity to perform duties as determined and documented by a physician with the concurrence of the Town Manager;
- 4) Discourteous treatment of the public or other employees;
- 5) Absence without approved leave;
- 6) Abuse of Town policies and regulations (more serious cases may be considered to be a failure in personal conduct);
- 7) Failure to obtain or maintain a current license or certificate required as a condition for performing the job;
- 8) Failure to report for duty at the assigned time and place;
- 9) Failure to meet standards such as completion of work within time frames established in work plan or work standards; or
- 10) Improper use of sick leave privileges

Communication and Warning Procedures Preceding Disciplinary Action for Unsatisfactory Job Performance

When an employee's job performance is unsatisfactory, or when incidents or inappropriate actions warrant, the supervisor should meet with the employee as soon as possible in one or more counseling sessions to discuss specific performance problems. A brief summary of these counseling sessions should be noted in the employee's file by the supervisor.

An employee whose job performance is unsatisfactory over a period of time should normally receive at least two warnings from the supervisor before disciplinary action is taken. The supervisor will discuss the warnings with the employee. All warnings shall be in writing and shall reflect the dates of discussions with the employee, the performance deficiencies discussed, the corrective actions recommended, and the time limits set for correction. Warnings shall be signed by the supervisor and the employee and placed in the employee's personnel file. If the employee's performance continues to be unsatisfactory, then the supervisor shall use the following disciplinary steps:

- 1) A final written warning from the supervisor serving notice upon the employee that corrected performance must take place immediately in order to avoid suspension, demotion, or dismissal.
- 2) If performance does not improve, a written recommendation should be sent to the department head and Human Resources Director for disciplinary action such as suspension, demotion, or dismissal.

Disciplinary Action for Detrimental Personal Conduct

For detrimental personal conduct a department head may immediately place an employee on disciplinary suspension without pay. With the approval of the department head, Human Resources Director, and Town Manager, an employee may be demoted, or dismissed without prior warning for causes relating to personal conduct detrimental to Town service:

- 1) To avoid undue disruption of work;
- 2) To protect the safety of persons or property; or
- 3) For other serious reasons.

Disciplinary suspension should not normally exceed one workweek (usually 40 hours).

Detrimental Personal Conduct Defined

Detrimental personal conduct includes behavior of such a serious detrimental nature that the functioning of the Town may be or has been impaired; the safety of persons or property may be

or have been threatened; or the laws of the government may be or have been violated. Examples of detrimental personal conduct include, but are not limited to, the following:

- 1) Fraud or theft;
- 2) Commission of a felony or the entry of a plea of nolo contendere thereto;
- 3) Falsification of documents or records in connection with employment or application for employment;
- 4) Willful misuse or gross negligence in the handling of Town funds;
- 5) Willful or wanton damage or destruction to property;
- 6) Willful or wanton acts that endanger the lives and property of others;
- 7) Possession of unauthorized firearms or other lethal weapons on the job;
- 8) Brutality in the performance of duties;
- 9) Reporting to work under the influence of alcohol or drugs or partaking of such while on duty. Prescribed medication may be taken within the limits set by a physician as long as medically necessary;
- 10) Engaging in outside employment that has not been approved by the appropriate supervisor or that may create a conflict of interest with town employment;
- 11) Request or acceptance of gifts in exchange for favors or influence;
- 12) Engaging in political activity prohibited by this policy; or
- 13) Stated refusal to perform assigned duties or flagrant violation of work rules and regulations.

Dismissal Conference

Before dismissal action is taken, whether for failure in personal conduct or failure in performance of duties, the Human Resources Director and a department director will conduct a dismissal conference. At this conference, the employee may present any response to the proposed dismissal to the Human Resources Director and department director. The Human Resources Director and department director will consider the employee's response, if any, to the proposed dismissal, and notify the employee in writing of the final decision. If the employee is dismissed, the notice shall contain a statement of the reasons for the action and the employee's right of appeal to the Town Manager. Final approval of any action must be made by the Town Manager. The Town Manager's decision is final. Any appeal of this decision must be made through appropriate judicial channels.

Non-Disciplinary Suspension

During the investigation, hearing, or trial of an employee on any criminal charge, or during an investigation related to alleged detrimental personal conduct, or during the course of any civil action involving an employee or when suspension would, in the opinion of the supervisor, be in the best interest of the Town, the department director, with the approval of the Human Resources Director, may suspend the employee as a non-disciplinary action. In such cases, upon

recommendation of the department director and the Human Resources Director, the Town Manager may:

- 1) Temporarily relieve the employee of all duties and responsibilities and place the employee on paid or unpaid leave for the duration of the suspension, or
- 2) Assign the employee to a different position or new duties and responsibilities in the same position with a salary commensurate with the new position or duties

If the employee is reinstated following the suspension such employee shall not lose any benefits to which otherwise the employee would have been entitled had the suspension not occurred. If the employee is terminated following suspension, the employee shall not be eligible for any pay from the date of suspension; provided, however, all other benefits with the exception of accrued annual leave and sick leave shall be maintained during the period of suspension.

Disciplinary Actions Temporary and Probationary Employees

Temporary and probationary employees may be demoted or dismissed at any time for unsatisfactory performance without any prior notice and without any rights of appeal. Such demotion or dismissal must be recommended by the temporary or probationary employee's Department Director, Human Resources Director and approved by the Town Manager.

GRIEVANCE PROCEDURE

The grievance procedure provides an adequate and fair means for hearing matters of concern to Town employees. Informal resolution through free and informal communication is encouraged. When informal procedures fail or are inappropriate or when the employee requests formal procedures, a grievance will be processed as set forth below.

Coverage

This grievance procedure applies to all departments and all employees of the Town. A grievance is defined as any matter of concern or dissatisfaction arising from the working conditions of an employee, subject to the control of the Town.

Policy

Every employee shall have the right to present a grievance in accordance with these procedures, with or without a representative, free from interference, coercion, restraint, discrimination, penalty, or reprisal. Employees will be allowed such time off from their duties as may be necessary and reasonable as determined by the department head or the Town Manager to prepare and present a grievance.

Procedure

- **Step One.** An employee must file a grievance, in writing, with the immediate supervisor, within thirty (30) days of the date of the incident giving rise to the grievance. If the employee alleges sexual harassment by the immediate supervisor, the employee may file the complaint with the Human Resource Director. If the grievance concerns an appeal of a dismissal, it shall be filed directly with the appointing authority at Step Three. The immediate supervisor shall meet with the employee within five (5) days of receipt of the grievance and attempt to resolve the grievance informally. If informal resolution efforts fail, the supervisor shall issue a written decision on the grievance not later than five (5) days following the meeting.

The Town Council will address any grievance or employee concerns relating to the Town Manager or the Town Attorney. In conjunction with the grievance policy, any grievance should be filed in writing, and submitted to the Mayor, within thirty (30) days of the date of incident giving rise to the grievance.

- **Step Two.** If the employee is dissatisfied with the response at Step One, the employee may file the grievance in writing with the department head within five (5) days of receipt of the immediate supervisor's written decision. (If the immediate supervisor is the subject of the grievance, the employee may file the grievance directly with the

department director.) The grievance shall state concisely the basis for the complaint and, if based on alleged discrimination, indicate whether the alleged discrimination was based on race, color, religion, sex, national origin, political affiliation, non-disqualifying handicap, or age. The department head shall meet with the employee within five (5) days of receipt of the Step Two grievance, shall review the decision at Step One, and shall make an independent determination on the merits of the grievance. Within ten (10) days of the meeting the employee, the department head shall issue a written decision.

- **Step Three.** If the employee is dissatisfied with the response at Step Two, the employee may forward the written grievance to the Town Manager within five (5) days of receipt of the Step Two decision. (If the department director is the subject of the grievance, the employee may file the grievance directly with the Town Manager.) The Town Manager or the other appointing authority will render a written decision within fifteen (15) days of the receipt of the grievance. This grievance is final and any appeal must to addressed through the judicial system.

In the event that the immediate supervisor is the Town Manager, the appeal process is filed with the Mayor within fifteen (15) working days of the occurrence. The Town Council will consult with the employee within ten (10) working days of receipt of the grievance. Within fifteen (15) working days following the meeting between the Town Council and employee, the Town Council will render a decision on the grievance. The decision of the Town Council is final.

EMPLOYEE HANDBOOK ACKNOWLEDGMENT AND RECEIPT

I hereby acknowledge receipt of the employee handbook of the Town of Franklin and the separate polices: Exposure Control Plan, Hazard Communication Program Policy, Permit Required Confined Space Entry Program, Travel Policy and the Prohibiting Pornography on Town Network and Device Policy. I understand and agree that it is my responsibility to read and comply with the policies in the handbook and other separate policies.

I understand that the handbook and all other written and oral materials provided to me are intended for informational purposes only. The handbook, Town practices, and other communications do not create an employment contract or term. I understand that the policies and benefits, both in the handbook and those communicated to me in any other fashion, are subject to interpretation, review, removal, and change by management at any time without notice.

I further understand that I am an at-will employee and that neither this document nor any other communication shall bind the Town to employ me now or hereafter and that my employment may be terminated by me or the Town without reason at any time. I understand that no representative of the Town has any authority to enter into any agreement for employment for any specified period of time or to assure any other personnel action or to assure any benefits or terms or conditions of employment or make any agreement contrary to the foregoing.

I also understand and agree that this agreement may not be modified orally and that only the president of the Town may make a commitment for employment. I also understand that if such an agreement is made, it must be in writing and signed by the president of the Town.

Employee's Name in Print

Signature of Employee

Date Signed by Employee

TO BE PLACED IN EMPLOYEE'S PERSONNEL FILE