

TOWN OF MONTREAT
PERSONNEL POLICY
Revised: August 8, 2013

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

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PREFACE

This policy represents the general personnel program for the Town of Montreat relative to various procedures and regulations duly adopted by the Town Council. This policy replaces and supersedes all previously issued personnel-related directives and memoranda and with the adoption of this policy, all conflicting rules and regulations are rescinded.

If any part of this policy is found to be in conflict with federal and State law, or is otherwise held to be invalid, the remainder of this policy shall continue in full force and shall not be affected.

These provisions for personnel administration remain subject to review and change whenever the Council deems necessary.

ARTICLE I. GENERAL PROVISIONS

Section 1. Purpose of the Policy.

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

Section 2. At Will Employment.

The Town of Montreat is an “at will” employer. Nothing in this policy creates an employment contract or term between the Town and its employees. No course of conduct or action by any person or group of persons, and nothing in these policies modifies the at-will nature of an employee’s employment with the Town. Employees are not granted a property interest in Town employment.

All Town positions are subject to budget review and approval each year, and salary advancement is subject to annual funding and approval by the Council.

Section 3. Merit Principle.

The Town of Montreat endorses the following merit system principles in administering its personnel program:

- a) Applicants and employees shall be assured of fair treatment; no applicant for employment or employee shall be deprived of employment opportunities or otherwise adversely affected as an employee because of such individual’s race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, or age.
- b) All appointments and promotions shall be made solely on the basis of merit.
- c) Employees may receive equitable pay and benefits and eligible employees may receive merit pay increases based on their performance, subject to the availability of funds.
- d) Employees shall be protected against coercion for partisan political purposes.
- e) All positions requiring the performance of the same duties and fulfillment of the same responsibilities shall be assigned to the same class and the same salary range.

Section 4. Responsibilities in the Administration of the Personnel Program.

Responsibilities of the Town Council: The Town Council shall be responsible for establishing and approving personnel policies, the position classification and pay plan, and may change the policies and benefits as necessary. The Council shall establish rules and procedures as necessary to effectively accomplish the mission of the Town which are not inconsistent with

the Town's Charter of Ordinances or with Federal and State laws. They also shall make appointments.

Responsibilities of the Town Administrator: The Town Administrator shall be responsible to the Mayor and Town Council for the day-to-day administration and technical direction of the personnel program.

The Administrator shall recommend policies and revisions to the personnel system to the Town Council for consideration, and shall:

- a) maintain a roster of all persons and authorized positions in the municipal service, setting forth each position and employee, class title of position, salary, any changes in class title and status, and such data as may be desirable or useful; and recommend changes to the classification and pay plan;
- b) 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;
- c) administer the benefits programs of the Town; investigate periodically the operation and effect of the personnel provisions of this policy and of the pay plan and recommend changes;
- d) recommend changes to the personnel policies and practices; and
- e) perform such other duties as may be assigned by the Town Council not inconsistent with this policy.

Responsibilities of Supervisors: A supervisor shall meet his/her responsibilities as directed by the Council, being guided by this policy and Town ordinances. The Town will require all supervisors to meet their responsibilities by:

- a) dealing with all employees in a fair and equitable manner and upholding the principles of equal employment opportunities;
- b) developing and motivating employees to reach their fullest potential through continued education and training.
- c) making objective evaluations of individual work performance and discussing these evaluations with each employee so as to bring about needed improvements;
- d) keeping employees informed of their role in accomplishing the work of their unit and of conditions or changes affecting their work;
- e) making every effort to resolve employee problems and grievances and advising employees of their rights and privileges;
- f) cooperating and coordinating with other staff members in work flow and distributing information;
- g) making proper documentation and maintaining current files.

Responsibilities of the Employee: An employee of the Town of Montreat shall be expected to:

- a) report to work on time and remain on the job until the end of the tour of duty;
- b) perform duties to the best of his/her ability and contribute a full day's work for a full day's pay;
- c) work well with citizens and with other employees and accept additional assignments during peak workloads and emergency situations;
- d) request prior approval for leaves of absence or before leaving the worksite;
- e) refrain from spreading rumors or engaging in other activities which have a disruptive influence on morale or work progress.

Section 5. Application of Policies, Plan, Rules, and Regulations.

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

Section 6. Departmental Rules and Regulations.

Because of the particular personnel and operational requirements of the various departments of the Town, each department is authorized to establish supplemental written rules and regulations applicable only to the personnel of that department. All such rules and regulations shall be subject to the final approval of the Council and shall not in any way conflict with the provisions of this Policy, but shall be considered as a supplement to this Policy.

Section 7. Definitions.

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

- a) **Full-time employee.** An employee who is in a budgeted position for which an average work week equals at least 40 hours, and continuous employment of at least 12 months, are required by the Town.
- b) **Part-time employee.** An employee who is in a budgeted position for which an average work week of at least 20 hours and less than 40 hours and continuous employment of at least 12 months are required by the Town. Part-time employees working 1000 hours or more participate in the NC Local Government Employees' Retirement System and may earn pro-rated benefits.

- c) **Regular employee.** An employee appointed to a full or part-time position who has successfully completed the designated probationary period. (Sometimes referred to as “permanent” employee; however, reference to "permanent employee" should not be construed as a contract or right to perpetual funding or employment.)
- d) **Probationary employee.** An employee appointed to a full or part-time position who has not yet successfully completed the designated probationary period.
- e) **Temporary employee.** An employee appointed to a position for which either the average work week required by the Town over the course of a year is less than 20 hours, or continuous employment required by the Town is less than 12 months. Temporary employees may be hired and paid, subject to the availability of funds at a rate that is competitive with the local labor market upon approval of the Town Council.
- f) **Trainee.** Employee status of an applicant hired (or employee promoted) who does not meet all of the requirements for the position. During the duration of a trainee appointment, the employee is on probationary status.
- g) **Permanent position.** A position authorized for the budget year for a full twelve months and budgeted for twenty or more hours per week. All Town positions are subject to budget review and approval each year by the Town Council and all employees' work and conduct must meet Town standards. Therefore, reference to "permanent " positions or employment should not be construed as a contract or right to perpetual funding or employment.
- h) **Volunteer employee.** An employee who is in an unpaid position, e. g. volunteer fire fighters and reserve police officer.

ARTICLE II. POSITION CLASSIFICATION PLAN

Section 1. Purpose.

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

Section 2. Composition of the Position Classification Plan.

The classification plan shall consist of:

- 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.

Section 3. 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.

Section 4. Administration of the Position Classification Plan.

The Town Council 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 Council or Town Administrator may periodically review portions of the classification plan and recommend appropriate changes to the Town Council.

Section 5. Adoption of the Position Classification Plan.

The position classification plan shall be adopted by the Town Council and shall be on file with the Town Clerk. Copies will be available to all Town employees for review upon request. New positions shall be established upon approval of the Town Council, after which the Council shall either allocate the new position into the appropriate existing class, or revise the position classification plan to establish a new class to which the new position may be allocated.

Section 6. Request for Reclassification.

Any employee who considers the position in which classified to be improper shall submit a request in writing for reclassification to the department head, who shall immediately transmit the request to the Administrator. Upon receipt of such request, the Administrator shall study the request, determine the merit of the reclassification, and make a recommendation to the Council. The Council shall make a decision to revise the classification and pay plan where necessary. Normally Council's review shall occur as a part of the budget process.

ARTICLE III. THE PAY PLAN

Section 1. Definition.

The pay plan includes the basic salary schedule and the "Assignment of Classes to Grades and Ranges" adopted by the Town Council. The salary schedule consists of rates of pay for minimum or beginning, maximum, and may include intervening rates of pay. The pay plan establishes a salary range for all classes of positions, and includes a designation of the standard hours in the work week for each position.

Section 2. Administration and Maintenance.

The Town Council 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 pay plan is intended to provide equitable compensation for all positions, reflecting differences in the duties and responsibilities, the comparable rates of pay for positions in private and public employment in the area, changes in the cost of living, the financial conditions of the Town, and other factors. To this end, from time to time the Town Administrator shall make comparative studies of all factors affecting the level of salary ranges including the consumer price index, anticipated changes in surrounding state municipal employer plans, and other relevant factors, and will recommend to the Town Council such changes in salary ranges as appear to be pertinent. Such changes shall be made in the salary ranges such that the hiring rate, all intervening rates and the maximum change according to the market.

Periodically, the Administrator shall recommend that individual salary ranges be reviewed and may recommend adjustment in salary as necessary to maintain market competitiveness. Such adjustments will be made by increasing or decreasing the assigned salary grade for the class and adjusting the rate of pay for employees in the class when the action is approved by the Town Council. Normally this review shall occur as a part of the budget process.

Any salary advancement of employees is subject to annual funding and approval by the Council; increases may be limited by budget or by policy.

Section 3. Starting Salaries.

All persons employed in positions approved in the position classification plan shall be employed at the minimum salary for the classification in which they are employed. However, well qualified applicants may be employed above the minimum of the established salary range upon recommendation of the department head and with approval of the Town Council. In addition,

an applicant may be hired at a rate other than the minimum when there has been a demonstrated inability to recruit at the minimum rate.

Section 4. Trainee Designation and Provisions.

Applicants being considered for employment or Town employees who do not meet all of the requirements for the position for which they are being considered may be hired, promoted, demoted, or transferred to a "trainee" status. In such cases, a plan for training, including a time schedule, must be prepared by the department head. "Trainee" salaries may be no more than two grades below the hiring rate salary established for the position for which the person is being trained. A new employee designated as "trainee" shall be regarded as a probationary employee.

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

Section 5. Probationary Pay Increases.

Upon successful completion of the probationary period, full-time and part-time employees hired, promoted, or reclassified into the hiring rate of the pay range shall normally receive a salary increase within the pay range of 5%. Employees hired or promoted 5% above the minimum of the pay range for their classification are not normally eligible for a probationary increase.

Section 6. Performance Evaluation.

The supervisor shall evaluate performance beginning with the employee's first day on the job. Through open communications with the supervisor, the employee should obtain a clear understanding of what is expected related to job performance, and a periodic assessment of his or her job strengths and weaknesses.

The supervisor shall conduct performance evaluation conferences with employees prior to the completion of the probationary period and at least once each year thereafter. Employees reporting to the Council shall be evaluated at least once a year in a performance evaluation conference with the Council.

The performance evaluation conferences shall consist of two-way discussions between employee and supervisor(s). The discussions should cover areas of accomplishment and performance strengths, areas for improvement, training needs, and goals for the upcoming year. The overall purpose of performance evaluation will be to improve the employee's performance. A summary of these performance evaluation conferences shall be documented in writing.

Section 7. Merit Pay and Merit Bonus.

Upward movement within the established salary range for an employee is not automatic, but rather based upon specific performance-related criteria concerning the quality of performance of the employee and is subject to the availability of funds. Pay increases may be percentages or flat dollar amounts within the range, and may vary from employee to employee based on the variations in performance.

Employees may be considered for advancement within the established salary range on their hiring (anniversary) date or at the beginning of the new fiscal year based on the quality of their overall work. When an employee's work needs improvement, the department head is expected to refrain from recommending a merit increase.

Employees who are at the top (maximum) of the salary range for their position classification are eligible to be considered for a Merit Bonus at their regular performance evaluation time. Merit bonuses shall be awarded based upon the performance of the employee as described in the performance evaluation and in the same amounts as employees who are within the salary range. Merit bonuses shall be awarded in lump sum payments and do not become part of base pay.

Section 8. Salary Effect of Promotions, Demotions, Transfers, and Reclassifications.

Promotions. When an employee is promoted, the employee's salary shall normally be advanced to the minimum level of the new position, or to a salary which provides an increase of at least 5% over the employee's salary before the promotion, provided, however, that the new salary may not exceed the maximum rate of the new salary range. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility.

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. If the demotion is the result of discipline, the salary shall be decreased at least approximately 5%, and may be no greater than the maximum of the new range.

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 range shall not be changed by the reassignment.

Reclassifications. An employee whose position is reclassified to a class having a higher salary range shall normally receive a pay increase of approximately 5%. The employee shall receive a greater increase if necessary to advance the employee to the hiring step of the new range if probation has not been completed or to the probation completion step of the new pay range if probation has been completed. 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.

Section 9. Salary Effect of Salary Range Revisions.

When a class of positions is assigned to a higher salary range, employees in that class shall normally receive a pay increase of at least approximately 5%. The employee shall receive a greater increase if necessary to advance the employee to the hiring step of the new range if probation has not been completed or to the probation completion step of the new pay range if probation has been completed. When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum 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.

Section 10. Transition to a New Salary Plan.

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

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

Section 11. Pay Day and Effective Date of Changes.

The standard seven day work week for the Town of Montreat is 12:01 a.m. Monday to 12:00 midnight on the following Sunday. The Town's office hours are Monday through Friday from 8:00 a.m. to 5 p.m. The weekly work hours may vary for each department.

However, many services performed by Town employees are essential and some must be provided 24 hours each day, every day of the year. Therefore, Town employees may be required to work changing shifts and the number of hours per day may differ.

Employees will be paid on a biweekly basis, with work weeks established by the Administrator. If a regular pay day falls on a holiday, checks will be issued on the workday that precedes the holiday.

Employees are encouraged to examine paychecks for correctness and payroll deductions will be explained if requested.

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 Council.

Section 12. Hours of Work.

The Council shall determine the standard workweek for employees. The length of the workweek is subject to change as dictated by necessity.

<u>Employee Group</u>	<u>Payment Basis</u>	<u>Standard Work Week</u>	<u>Usual Work Period</u>
Non-Exempt	Hourly	40 Hours in a 7-day Period	4-5 Days Per Week
Law Enforcement	Hourly	42-Hour Average	Rotating Shifts
Exempt	Salaried	40 Hours, More as Required	5 Days Per Week

Section 13. Rest Periods/Breaks.

Due to the variation in work schedules and needs among departments, the Town makes no attempt to define a uniform policy for rest periods or breaks. Department heads may establish appropriate rest period practices which best serve the Town's interest within the work units under their supervision. Such practices shall be subject to review of the Council, and shall be limited to one rest period or break in the morning and in the afternoon no longer than 15 minutes each.

All employees are allowed thirty (30) minutes or one hour for one (1) meal break during any normal working day. Breaks of at least 30 minutes taken for mealtime will not be counted as part of any employee's normal work hours.

Section 14. Overtime Pay Provisions.

Supervisors shall attempt to arrange employee work and schedules so as to accomplish the required work within the standard workweek. In emergencies or unusual circumstances employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours. Such work is as necessitated by the needs of the Town and determined by the Department Head. Overtime work should normally be approved in advance by the department head.

The Town will comply with the federal Fair Labor Standards Act (FLSA). The Town Administrator 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 and Exempt Employees under FLSA:

Exempt Employees. Employees in positions determined to be "exempt" from the FLSA (as Executive, Administrative, or Professional staff) are paid on a salaried basis, and will not receive compensation – pay or time off -- for hours worked in excess of their normal work periods. In rare cases, such as under conditions designated by the Town Council as “Declared Emergency”, exempt employees may be eligible for additional pay or time off for extra hours worked, as approved by the Town Council.

The Town intends to make deductions from the pay of exempt employees for authorized reasons and prohibits improper pay deductions. Exempt employees who wish to question deductions they believe to be improper may use the Town’s Grievance procedure, as explained in this policy. If the deduction is found to be improper the Town will reimburse the employee for lost pay.

Non-exempt (Non-Law enforcement Officers): Employees will be compensated at a straight time rate for hours up to the FLSA established limit for their position—currently 40 hours in a 7 day period.

Hours worked beyond 40 in a 7 day period will be compensated by pay or compensatory time off 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 vacation, sick leave, or holidays be included in the computation of hours worked for FLSA overtime purposes.

Whenever practicable, departments will schedule time off on an hour-for-hour basis within the same applicable 7 day work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be paid or time off granted in accordance with the FLSA at a time-and-a-half rate.

Compensatory leave requires approval by the Board when creating a future balance that exceeds 120 hours. In no case should an employee’s compensatory balance exceed the FLSA limit (240 hours for non-law enforcement employees). Employees terminating employment with the Town will be paid for all accrued FLSA compensatory time hours not taken.

Non-Exempt Law Enforcement Officers: Employees will be compensated at a straight time rate for hours worked up to the FLSA established limit for their position – currently 171 hours in the designated 28 day cycle.

Hours worked beyond 171 in a 28 day period will be compensated by time-and-a-half pay. In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will vacation, sick leave, or holidays be included in the computation of hours worked for FLSA overtime purposes.

Whenever practicable, departments will schedule time off on an hour-for-hour basis within the same applicable 28 day work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be paid in accordance with the FLSA at a time-and-a-half rate.

Section 15. Call-back.

The Town provides a continuous twenty-four hour a day, seven day a week service to its customers. Therefore, it is necessary for certain employees to respond to any reasonable request for duty at any hour of the day or night. One of the conditions of employment with the Town is the acceptance of a share of the responsibility for continuous service, in accordance with the nature of each job position. If an employee fails to respond to reasonable calls for emergency service, either special or routine, the employee shall be subject to disciplinary actions up to and including dismissal.

Non-Exempt employees will be guaranteed a minimum compensation of two hours (pay or compensatory time) for being called back to work outside of normal working hours or for responding from home to a known emergency. "Call-back" provisions do not apply to previously scheduled overtime work.

Section 16. Payroll Deduction.

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

Section 17. Hourly Rate of Pay.

The hourly rate for employees will be determined by dividing the average number of hours worked scheduled per year into the annual salary for the position.

Employees working in a part-time or temporary capacity with the same duties as full-time employees will work at a rate in the same salary range as the full-time employees. The Administrator will recommend hourly rates of pay for other part-time or temporary employees.

Section 18. Payment of Travel Expenses.

All participation in workshops, schools and meetings of more than a day must have prior approval of the Administrator if any of the time and expense is to be paid by the Town.

Expenses incurred as a part of the job for the Town will be reimbursed at the rate set by the IRS, and meals and lodging reimbursed at actual reasonable costs, or an established per diem. When anticipated that the per diem will be exceeded, the Council may elect to increase the rate before the travel is incurred.

All travel claims must be supported by detailed documentation, usually in the form of receipts or similar vouchers.

The Administrator may deny reimbursement of any questionable, unsupported or excessive expense claim submitted by the employee.

Section 19. Reimbursement of Training Expenses.

An employee who enters a job-related training program or educational course, with the prior approval of the department head and Council, shall be reimbursed for expenses such as tuition and books upon successful completion of the program. The Council may set annual limits for the amount of reimbursement. If the employee leaves employment with the Town within twenty-four months thereafter, the employee shall reimburse the Town for such expenses.

Section 20. Payment for Certifications.

Employees may be rewarded for new certifications of job related education, as approved by the Administrator. The range for compensation will be minimum of \$50.00 and maximum of \$250.00. The amount of the increase will be added into the employee's annual base salary.

ARTICLE IV. RECRUITMENT AND EMPLOYMENT

Section 1. Equal Employment Opportunity Policy.

It is the policy of the Town to foster, maintain and promote equal employment opportunity. The Town shall select employees on the basis of the applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, including upgrading and promotion, without regard to age, sex, race, color, religion, national origin, disability, political affiliation, or marital status. Applicants with physical disabilities shall be given equal consideration with other applicants for positions in which their disabilities do not represent an unreasonable barrier to satisfactory performance of duties with or without reasonable accommodation.

Section 2. Implementation of Equal Employment Opportunity Policy.

All personnel responsible for recruitment and employment will continue to review regularly the implementation of this personnel policy and relevant practices to assure that equal employment opportunity based on reasonable, job-related requirements is being actively observed to the end that no employee or applicant for employment shall suffer discrimination because of age, sex, race, color, religion, disability, national origin, political affiliation, or marital status. Notices with regard to equal employment matters shall be posted in conspicuous places on Town premises in places where notices are customarily posted.

Section 3. Hire and Promotion From Within Policy.

It is the desire of the Town to hire and promote from within whenever possible to encourage efficiency, dedication, loyalty, and goodwill among employees. When a position becomes vacant, it will be posted for a minimum of five (5) business days via email to all employees and by hard copy in all Town department locations. The Town reserves the right to publicly advertise any vacant position and to fill a position from outside the Town's workforce whenever the Board or Town Administrator determines it is in its best interests to do so.

Section 4. Recruitment, Selection and Appointment.

Recruitment Sources. When position vacancies occur and are not filled from within, the Town shall publicize these opportunities for employment, including applicable salary information and employment qualifications. Information on job openings and hiring practices will be provided to recruitment sources, including organizations and news media available to minority applicants, in order to establish a diverse and qualified applicant pool. In addition, notice of vacancies shall be posted at designated conspicuous sites within departments.

Job Advertisements. Jobs will be posted including position title, brief description of duties, minimum qualification requirements, salary range, instructions for applying, and the deadline, if any, for accepting applications. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

Application for Employment. All persons expressing interest in employment with the Town shall be given the opportunity to file an application for employment for positions which are vacant, and may request to be notified of future vacancies that occur.

Application File. Applications and materials for applicants not selected shall be kept in an inactive file for a period of two years, in accordance with Equal Employment Opportunity Commission guidelines.

Residency. Individuals shall be recruited from a geographic area as wide as necessary to ensure that well-qualified applicants are obtained for Town service. Appointments shall not necessarily be limited to residents of Montreat; however, in cases where residents and non-residents are equally qualified, the local resident may receive additional consideration.

Residency in the Town limits is not required; however, employees may be required to live within reasonable commuting and emergency response distance.

Selection. The department head shall screen all applications and identify a group of the best qualified candidates. The Town Administrator or designee shall check references and make such investigations and conduct such examinations as necessary to assess accurately the knowledge, skills, and experience qualifications required for the position, including criminal history where job-related. 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 Town Administrator shall make recommendations to the Council with a recommendation of the position to be filled, the salary to be paid, and the reasons for selecting the candidate over other candidates. The Council shall have final hiring authority in ruling on recommendations for hiring and starting salary for all applicants.

Section 5. Probationary Period.

An employee newly hired or promoted employee shall serve a probationary period. Employees shall serve a twelve month probationary period. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress. Probationary employees shall have a probationary review at the end of six months as well as before the end of twelve months.

An important purpose of the probationary period is to provide an opportunity for the appointee to adjust to the new job. Likewise it serves as a trial period during which the employee

demonstrates his or her ability to perform the work, to accept additional responsibility, to demonstrate good work habits and to work well with the public and fellow employees. Before the end of the probationary period, the supervisor shall conduct a performance evaluation conference with the employee and discuss accomplishments, strengths, and needed improvements. A summary of this discussion should be documented in the employee's personnel file. The supervisor shall recommend in writing whether the probationary period should be completed, extended, or the employee transferred, demoted, or dismissed.

Probationary periods may be extended for a maximum of six additional months. However, no employee shall serve more than 18 months in probationary status.

Disciplinary action, including demotion and dismissal without right of appeal, may be taken at any time during the probationary period of a new hire without following the steps outlined in this policy. A promoted employee who does not successfully complete the probationary period may be transferred or demoted to a position in which the employee shows promise of success. If no such position is available, the employee shall be dismissed. Promoted and demoted employees who are on probation retain all other rights and benefits such as the right to use of the grievance procedures.

Upon successful completion of the probationary period, the employee is eligible to be considered for a probationary pay increase as outlined in Article III, and to use annual leave as outlined in Article VII.

Section 6. 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 best suited, that applicant shall be appointed 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) providing equal employment opportunity and a diversified workforce to the community;
and
- 3) obtaining the best possible employee who will provide the most productivity in that position.

Candidates for promotion shall be chosen on the basis of their qualifications and their work records. Internal candidates shall apply for promotions using the same application process as external candidates. The Town reserves the right to publicly advertise any vacant position and to fill a position from outside the Town's workforce whenever the Board or Town Administrator determines it is in its best interests to do so.

Section 7. Demotion.

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

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

Section 8. 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 Administrator with the consent of the receiving department head. Any employee transferred without requesting the action may appeal the action in accordance with the grievance procedure outlined in this policy. An employee who has successfully completed a probationary period may be transferred into the same classification without serving another probationary period.

ARTICLE V. CONDITIONS OF EMPLOYMENT

Section 1. Work Schedules and Employee Attendance.

Department heads shall establish work schedules, with the approval of the Town Administrator, which meet the operational needs of the department in the most cost effective manner possible.

Because Town services are essential and continuous, an employee shall avoid unnecessary absences and tardiness. Attendance and punctuality are important responsibilities of the employee which may influence his/her future eligibility for a merit pay increase for promotion.

The employee shall be required to call his supervisor in advance to advise him/her when illness prevents reporting to work, or when the employee expects to be late for work because of unusual and unavoidable circumstances.

If an employee is away from the job for 3 consecutive work days without notice, it may be presumed that the employee has resigned and forfeited any claim to terminal pay for accumulated vacation.

Section 2. Political Activity.

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

- a) Engage in any political or partisan activity while on duty;
- b) Use official authority of influence for the purpose of interfering with or affecting the result of a nomination or an election for office;
- c) Be required as a duty of employment or as condition for employment, promotion or tenure of office to contribute funds for political or partisan purposes;
- d) Coerce or compel contributions from another employee of the Town for political or partisan purposes;
- e) Use Town-owned supplies, equipment or facilities to display political slogans, posters or stickers or for other political purposes.
- f) No full or part-time employee shall be a candidate for nomination or election to office under the Town Charter. Temporary and volunteer employees (see definition in Article I, Section 8) are not covered under this exclusion and are eligible for nomination or election to such office.

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

Section 3. Outside Employment and Voluntary Service.

The work of the Town shall have precedence over other occupational interests of employees. Employees are cautioned not to engage in outside activities that are so exhaustive that the employee's physical and mental ability are consistently impaired to the extent that the employee's Town service is adversely affected.

Conflicting outside employment are grounds for disciplinary action up to and including dismissal. Examples of conflicts of interest in outside employment *include but are not limited to*:

- a) employment with organizations or in capacities that are regulated by the employee or 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 (such as working for a company where significant Town purchases are made by the employee).

The Town may require that employees report outside employment including salaries, wages, or commissions and all self-employment in advance to the employee's supervisor. The supervisor would review such employment for possible conflict of interest and then submit a record of the employment and review to the personnel file. Documentation of the approval of outside employment would be placed in the employee's personnel file.

This section does not apply to volunteers performing work for the Town.

Off the Job Injuries: An employee who sustains an injury or illness in connection with outside employment and is receiving Workers' Compensation benefits from that employer shall not be entitled to receive Town workers compensation benefits or accrued Town sick leave.

In cases where an off the job employment-related injury or illness results in temporary disability, an employee must either

- a) request and obtain a leave of absence without pay;
- b) request and use accrued vacation leave; or
- c) be subject to termination by the Town due to lack of availability for work, following a three month absence.

Volunteer Emergency Service: The Town encourages and shall permit employees to participate as members of a volunteer emergency service to the extent that the volunteer activities do not interfere with the employee's responsibilities in the Town service.

Section 4. Dual Employment.

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

Section 5. Employment of Relatives.

The Town prohibits the hiring and employment of immediate family in permanent or temporary positions within the same work unit. "Immediate Family" is defined in Article VII, Section 12. The Town also prohibits the employment of any person into a permanent or temporary position who is an immediate family member of individuals holding the following positions: Mayor, Town Council Member, Town Administrator or Town Attorney. Otherwise, the Town may consider employing family members or related persons in the service of the Town, provided that such employment does not:

- a) result in a relative supervising relatives, or Council Members providing oversight to departments where relatives work;
- b) result in a relative auditing the work of a relative;
- c) create a conflict of interest with either relative and the Town; or
- d) create the potential or perception of favoritism.

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

Section 6. Harassment Prohibited.

The Town prohibits harassment in any form that is based on sex, race, color, religion, national origin, age, and/or disability. Harassment is defined as conduct that culminates in tangible employment action or is sufficiently severe or pervasive to create a hostile work environment.

A particular form of harassment, sexual harassment, is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
- c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment includes repeated offensive sexual remarks, continual or repeated comments about an individual's body, offensive sexual language, and the display in the workplace of sexually suggestive pictures or objects. (Sexual harassment does not include personal compliments welcomed by the recipient, or social interaction or relationships freely entered into by employees.)

Any employee who believes that he or she may have a complaint of sexual or other forms of harassment is encouraged to report it immediately. The employee may follow the Grievance Procedure described in this Policy or may file the complaint directly with the Town Council or department head. The Council will insure that an investigation is conducted into any allegation of sexual harassment and advise the employee and appropriate management officials of the outcome of the investigation. An employee who participates in harassment is subject to disciplinary action up to and including dismissal.

Employees who are found to be engaged in harassment are subject to disciplinary action up to and including dismissal. Employees making complaints of harassment are protected against retaliation from alleged harassers or other employees.

Section 7. Solicitation and Acceptance of Gifts and Favors.

No official or employee of the Town shall solicit or accept any gift, favor, or thing of value (as defined by State law, usually more than \$50) that may tend to influence such employee in the discharge of the employee's duties, or grant in the discharge of duty an improper favor, service, or thing of value. Violation of this section shall subject the employee to dismissal or other disciplinary action.

Except as specifically approved by the Council, no employee shall solicit pledges or contributions for any cause during work hours.

Section 8. Performance Evaluation.

Supervisors shall conduct Performance Evaluation conferences with each employee at least once a year. These performance evaluations shall be documented in writing and placed in the employee's personnel file.

Section 9. Safety.

Safety is the responsibility of both the Town and employees. It is the policy of the Town to establish a safe work environment and a safety program for employees.

Department heads and supervisors share the responsibility for:

- a) Providing safe work procedures and environments;
- b) Informing and training employees in safe work habits and methods;
- c) Insuring safe work procedures and detecting and correcting unsafe practices and conditions;
- d) Investigating accidents and preparing accident reports.

Employees are responsible for:

- a) developing and maintaining safe work habits and attend safety training;
- b) promptly reporting all accidents and injuries;
- c) pointing out what are believed to be dangerous practices and working conditions;
- d) assisting with investigations or accidents;
- e) wearing and using required protective equipment and taking proper care of safety equipment;
- f) wearing proper clothing and avoiding loose sleeves, cuffs, rings, bracelets and long hair around moving machinery;
- g) knowing the location and use of fire extinguishers, the location of fire exits and the best method for reporting a fire.

Employees who violate such policies and procedures shall be subject to disciplinary action up to and including dismissal.

Section 10. Substance Abuse Policy.

The Town may establish policies and procedures related to applicant and employee substance abuse in order to insure the safety and well-being of citizens and employees, and to comply with any state, federal, or other laws and regulations.

Section 11. Use of Town Property and Equipment.

Town equipment, materials, tools and supplies shall not be available for personal use and are not to be removed from Town property except in the conduct of official Town business, unless

approved by the Council. No employee shall purchase for personal use any equipment or supplies through Town purchase accounts.

Vehicles: An employee shall care for vehicles and equipment owned by the Town in the same responsible manner in which he/she should care for his/her own. Vehicles are to be used for official Town business and personal use of Town vehicles and use of Town gasoline in privately owned vehicles is strictly prohibited. Employees on call may be authorized to take a vehicle to his/her residence, after approval has been granted by the Council.

Telephones, e-mail and Internet: Usage of Town telephones and computers for personal communications and Internet connections or e-mail for personal reasons should be brief. Employees should not access pornographic sites through Town equipment or use Town phones for personal long-distance calls.

Under North Carolina law e-mail sent or received by the Town is considered a public record and is subject to inspection upon request.

Surrender of property: An employee who is terminated shall be required to return all items of equipment, including uniforms, owned by the Town. Return of such equipment in good condition may precede the issuance of an employee's final paycheck.

Section 12. Inclement Weather

The Administrator may be called to determine if the offices will be open or closed. An employee unable to work due to inclement weather may use vacation or compensatory time. In emergency situations, designated supervisors or employees may be required to report to work.

Section 13. General Service Regulations

The following provisions shall be known as general service regulations and shall apply to all employees:

- a) Behavior and Common Courtesy: When contacting the public in any manner, especially on public business, Town employees shall do so in a courteous manner. Every employee shall at all times endeavor to conduct himself or herself in a manner that reflects credit upon his or her department and the Town of Montreat.
- b) Disclosure of Confidential Information: No official or employee shall, without the approval of the Council, disclose confidential information concerning the property, government or affairs of the Town. Nor shall he or she under any circumstances use such information to advance the personal, financial or other private interests, themselves or others.

- c) Use of Intoxicants: No employee shall use intoxicating beverages or drugs of any kind while on duty, nor shall an employee report for duty while under the influence of an intoxicant or drug, unless such drug has been certified by a licensed physician as a drug that will not impair the work of the employee. Medications prescribed by a physician and certified by the physician not to impair the employee's ability to work may be taken during working hours as prescribed.
- d) Off-duty conduct: Generally, the Town regards the off-duty activities of employees to be their own personal matter rather than that of the Town. However, certain types of off-duty activities represent potential concern and liability to the Town. For that reason, employees who engage in or are associated with illegal or immoral conduct, the nature of which adversely affects the public trust and confidence in the Town of Montreat, may be subject to dismissal or other disciplinary action.

Section 14. Media Contact

Montreat personnel shall make every effort to maintain good working relationships with the media. All requests for information shall be handled with respect and referred to the Mayor, Town Administrator or Department Head. The Mayor, Town Administrator or department head shall be notified, as soon as practical, as to the nature of the request and the organization making the request. Any reply shall come from the Mayor, Town Administrator or Department Head. Employees should ascertain that the requesting person is in fact representing a media organization. Employees should also be mindful of their personal liability for providing information on employees, former employees, Town policy, projects or events.

ARTICLE VI. EMPLOYEE BENEFITS

Section 1. Eligibility.

All full-time employees of the Town are eligible for employee benefits as provided for in this Article which are subject to change at the Town's discretion. Additional benefits may be approved by Council for specific employees as a condition of employment.

Benefits for part-time employees may be prorated. Temporary employees are eligible only for workers' compensation and FICA.

Section 2. Group Health and Hospitalization Insurance.

The Town provides group health and hospitalization insurance programs for full-time employees and may pay the cost of individual coverage. Part-time employees who are scheduled to work 20 hours or more per week on a continuous year-round basis may, if they so desire, purchase available group health through the Town for themselves or for themselves and qualified dependents. A pro-rated amount of the cost of coverage paid for a full-time employee shall be paid by the Town with the remainder of the cost being paid by the employee. This pro-rated amount shall be based on regularly scheduled hours.

Employees may cover their qualifying family members by paying the full cost of that dependent coverage.

Benefits will be effective upon completion of 30 days of employment.

Section 3. Group Life Insurance.

The Town may elect to provide group life insurance for each employee subject to the stipulations of the insurance contract. Employees may elect to purchase additional coverage and/or to insure other family members under this plan at their expense subject to the stipulations of the insurance contract.

Section 4. Retirement System.

Each employee in a permanent position who is expected to work for the Town more than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System as a condition of employment. The Town and the employee both contribute to the cost of retirement, as required by state law.

Section 5. Supplemental Retirement Benefits.

The Town provides contributions to the 401(k) plan administered by the State of North Carolina equal to 5% of each active employee's gross pay. Employees may also contribute up to the limit prescribed by law.

Section 6. Retiree Health Insurance.

An employee who retires before age 65 under the provisions set forth under the NC Local governmental Employees' Retirement System and has completed at least 15 years of continuous service with the Town of Montreat (or who retires under the LGERS on disability regardless of length of Town service) may continue the group health insurance plan coverage until age 65, or the age of Medicare coverage, whichever comes first, at the retiree rate as established annually by the Town Council. Dependent coverage would be paid for in full by the retiree. The employee must elect to continue the insurance at the time of retirement to receive the benefit.

Retired employees and their dependents are no longer eligible to receive this benefit or remain covered by the Town's group medical insurance coverage

- 1) upon reaching 65 years of age, or
- 2) upon becoming fully covered by Medicare, or
- 3) upon the discontinuance of the benefit by the Town and/or the insurance carrier.

Premium payments for said coverage will be paid directly to the Town for the insurance carrier. A retired employee is required to pay his or her portion of the monthly premium no later than the 10th day of the month for the following monthly coverage. Failure to pay the premium within the prescribed time period could result in the discontinuance of the benefit provided by the Town.

Section 7. Social Security.

The Town, to the extent of its lawful authority and power, has extended Social Security benefits for its eligible employees and eligible groups and classes of such employees. Social Security payments are deducted from paychecks and are matched by the Town.

Section 8. Workers' Compensation.

All employees of the Town (full-time, part-time, and temporary) are covered by the North Carolina Workers' Compensation Act and are required to report all injuries arising out of and in the course of employment to their immediate supervisors at the time of the injury in order that appropriate action may be taken at once.

Responsibility for claiming compensation under the Workers' Compensation Act is on the injured employee, and such claims must be filed by the employee with the North Carolina Industrial Commission within two years from date of injury. The Town Administrator will assist the employee in filing the claim.

This provision also applies to reactions to small pox vaccinations administered to Town employees under Section 304 of the Homeland Security Act. Such reactions shall be treated the same as any other workers' compensation claim as regards leave and salary continuation.

Article VII covers the use of leave to supplement pay during periods of absence due to injury.

Section 9. Unemployment Compensation.

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

Section 10. Uniforms and Clothing Allowance.

The Town shall provide uniforms for law enforcement personnel. Clothing or clothing allowances shall be provided to other employees as authorized by the Council. Upon separation from employment the employee will return uniforms to the Town.

Section 11. Longevity Pay.

Eligible employees will receive monetary awards based on the following schedule: years of service (beginning with the anniversary date of fulltime employment) times \$100.00 per year with a capped dollar amount of \$1,500. (Example: 5 years x \$100 = \$500).

Longevity will be awarded to employees per employee evaluation approval. The benefit is to be awarded in November of each calendar year.

Section 12. Separation Allowance.

The Town provides a monthly separation allowance to retired law enforcement officers as required in the NC General Statutes.

Non-law enforcement employees employed prior to July 1, 1998:

Employees of the Town of Montreat who meet the following requirements shall receive, beginning on the last day of the month in which he or she retires, an annual separation allowance equal to eighty five hundredths percent (0.85%) of the average final compensation as determined by the LGERS multiplied by the creditable years of services as determined by the

LGERS. The resulting product equals the annual payment of the separation allowance. This amount divided by 12 is the amount that will be paid on the last day of each month. The requirements for this separation allowance are as follows:

1. The employee must have;
 - a) Completed thirty (30) or more years of creditable service as an employee of the Town of Montreat eligible to participate in LGERS at the time of retirement; or
 - b) Attained the age of fifty-five (55) and completed fifteen (15) or more years of creditable service as an employee of the Town of Montreat eligible to participate in LGERS at the time of retirement.
2. The employee must be employed prior to July 1, 1998.
3. The employee must not have attained sixty-two (62) years of age.
4. At least 50% of the employee creditable service must be as a non-law enforcement employee. Employment in a law enforcement position with the Town of Montreat shall be included in determining the length of service for purposes of this policy, but no employee shall receive the Separation Allowance if he/she qualifies for the Special Separation Allowance for law enforcement officers, or retires on disability.
5. Payment of this Separation Allowance shall cease at the death of the employee or on the last day of the month in which he/she attains sixty two (62) years of age, or on the last day of the month in which he/she receives social security, or upon the first day of employment of the employee by any governmental body. Should the special separation allowance for law enforcement officers, now required by law, be rescinded, this separation allowance shall be rescinded all at the same time.
6. The Separation Allowance does not replace any benefits to which a retired employee may be entitled from state, federal, or private retirement systems. It shall not be paid concurrently with or in addition to any compensation provided by the Special Separation Allowance for Law enforcement officers from any employer.

ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

Section 1. Policy.

The policy of the Town is to provide vacation leave, sick leave, and holiday leave to all full-time and part-time employees, and to provide proportionately equivalent amounts to employees having average work weeks of different lengths. Employees shall accrue leave proportionately on a monthly basis.

Section 2. Holidays.

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

New Year's Day	Martin Luther King Birthday	Good Friday
Memorial Day	Independence Day	Labor Day
Thanksgiving Day	Day after Thanksgiving	2 days at Christmas as designated

When a holiday falls on a weekend, the Council will determine when such day(s) will be taken. Normally, if the holiday falls on Saturday, the preceding Friday shall be observed as the holiday; if the holiday falls on a Sunday, the following Monday will be observed. In order to be eligible for holiday pay, an employee must have been in pay status before and after the holiday.

In addition to the specified holidays above, each employee may take one of the following as a holiday. Before such day is taken, the employee must obtain approval to be off on the day of their choosing. One of the following days may be used in this manner:

Easter Monday	Another Religious Holiday	Floating Holiday
Veteran's Day	President's Day	Employee Birthday

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

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

Section 4. Holidays: Compensation When Work is Required (or Regularly Scheduled Off for Shift Personnel)

Employees required to perform work on regularly scheduled holidays shall receive an equal number of hours off on a subsequent day as compensation for the holiday worked. If a holiday falls on a scheduled day off, the employee shall receive a day off based on their average work day at a later time.

Section 5. Vacation Leave.

Vacation leave is intended to be used for rest and relaxation, but may be used as the employee desires, and may be used for medical appointments and for absences due to adverse weather. Employees must request vacation leave from their respective supervisor. Unless the requested leave would create an undue hardship for the Town, the supervisor shall attempt to arrange the work schedule to accommodate the employee’s request for vacation leave, but the final decision shall be that of the supervisor.

Vacation leave may also be used by employees who wish to observe religious holidays other than those granted by the Town. Employees who wish to use leave for religious observances must request leave from their respective supervisors. The supervisor will attempt to arrange the work schedule so that an employee may be granted vacation leave for the religious observance. Vacation leave for religious observance may be denied only when granting the leave would create an undue hardship for the Town.

Section 6. Vacation Leave: Use by Probationary Employees.

Employees serving a probationary period following initial employment may accumulate vacation leave but shall not be permitted to take vacation leave during the first 6 months of the probationary period unless approved in a pre-employment agreement. Employees shall be allowed to take accumulated vacation leave after six months of service.

Section 7. Vacation Leave: Accrual Rate.

Each full time employee of the Town shall earn vacation leave each payroll period at the rate shown in the schedule below:

<u>Years of Service</u>	<u>Amount of Leave Earned</u>
0- 2.99 years	11 days (88 hours)*
3 – 4.99 years	13 days (104 hours)
5 – 9.99 years	15 days (120 hours)
10 – 14.99 years	18 days (144 hours)
15 - 19.99 years	23 days (184 hours)
20 -24.99 years	23 days (184 hours)
25+ years	25 days (200 hours)

* hours of vacation earned annually based on an 8 hour work day

The formula for calculating vacation leave for part-time employees is found in Section 15 of this article.

Employees will be credited vacation leave for each full calendar month of work. For pay purposes, a vacation day is equal to a regular work day.

Persons who are hired on or before the 15th of the month earn vacation time for that month; those hired after the 15th of the month begin earning vacation on the first of the following month.

Employees on probation earn vacation but may not use it until 6 months of the probation period is completed.

An employee continues to accumulate vacation while on vacation and sick leave. Employees must be on pay status for more than 15 days of the month in order to earn vacation for that month.

Section 8. Vacation Leave: Maximum Accumulation.

Vacation leave may be accumulated without any applicable maximum until June 30th of each year. However, if the employee departs from service, payment for accumulated vacation leave shall not exceed 30 days. Effective the last payroll in the fiscal year, any employee with more than 30 days of accumulated leave shall have the excess accumulation removed so that only 30 days are carried forward to July 1 of the next calendar year. The excess amount removed shall be converted to sick leave and added to the employee's sick leave balance. Employees are not eligible to receive pay for excess vacation time not taken.

Section 9. Vacation Leave: Manner of Taking.

Employees shall be granted the use of earned vacation leave upon request in advance at those times designated by the supervisor which will least obstruct normal operations of the Town. Employees will normally be required to request earned vacation at least 1 week in advance of such leave; exceptions shall be authorized by the department head on an individually requested basis.

Department heads are responsible for insuring that approved vacation leave does not hinder the effectiveness of service delivery. Vacation may be taken in one hour (1 hour) increments.

All employees who earn at least 120 hours of vacation per year must take at least five consecutive workdays of accrued vacation per calendar year.

Section 10. Vacation Leave: Payment upon Separation.

An employee who has successfully completed six months of the probationary period will normally be paid for accumulated vacation leave upon separation, not to exceed 240 hours / 30 days (see Section 15 for pro-rating for employees working other than 40 hours per week), provided notice is given to the supervisor at least two weeks in advance of the effective date of resignation / four weeks' notice for department heads.

Any employee failing to give the notice required by this section shall forfeit payment for accumulated leave. The notice requirement may be waived by the Council when deemed to be in the best interest of the Town. Employees who are involuntarily separated shall receive payment for accumulated vacation leave subject to the 240 hour maximum, except in cases of dismissal for detrimental personal conduct.

At the time of an employee's separation, any vacation leave owed the Town shall be deducted from the employee's final paycheck.

Section 11. Vacation Leave: Payment upon Death.

The estate of an employee who dies while employed by the Town shall be entitled to payment of all the accumulated vacation leave credited to the employee's account not to exceed the maximums established in Section 8 of this Article.

Section 12. Sick Leave.

Sick leave may be granted to employees (probationary or regular employees) absent from work for any of the following reasons: sickness, bodily injury, required physical or dental examinations or treatment, or exposure to a contagious disease, when continuing work might jeopardize the health of others. Employees serving their probationary period may be required to submit a doctor's certification in order to use accrued sick leave during the probationary period.

Sick leave may be used when an employee must care for a member of his or her immediate family who is ill. "Immediate family" shall be defined as spouse, child, or parent. Upon request of the employee, the Administrator may determine if sick leave may be used for the care of other family members on a case by case basis.

Sick leave may also be used to supplement Workers' Compensation Disability Leave both during the waiting period before Workers' Compensation benefits begin, and afterward to supplement the remaining one-third of salary, except that employee may not exceed the regular salary amount using this provision.

Notification: Notification of the desire to take sick leave should be submitted to the employee's supervisor prior to the leave or not later than 30 minutes after the beginning of the scheduled workday. Sick leave is not to be abused and will be granted with pay only when the employee provides advance notice required by the department, tells the supervisor the expected duration of the leave, and keeps the supervisor informed, daily if required, off his/her work status.

Section 13. Sick Leave: Accrual Rate and Accumulation.

Sick leave shall accrue at a rate of one day per month / 12 days per year. Sick leave for full-time and part-time employees working other than the basic work schedule shall be pro-rated as

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

Employees will be credited sick leave for each full calendar month of work. For pay purposes, a sick day is equal to a regular work day.

Persons who are hired on or before the 15th of the month earn sick time for that month; those hired after the 15th of the month begin earning sick leave on the first of the following month.

An employee continues to accumulate sick leave while on vacation and sick leave. Employees must be on pay status for than 15 days of the month in order to earn sick leave for that month.

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

Reinstatement of Leave: Employees who resign in good standing or are dismissed from employment because of reduction in force and are reinstated within 3 years shall be credited with their previously accumulated sick leave. Employees who are dismissed from employment for reasons other than reduction in force or who are not reinstated within 3 years shall lose all sick leave credits.

Section 14. Medical Certification.

Prospective or current employees may be required to submit to a medical and/or psychological fitness for duty examination to determine if they are able to perform the duties and responsibilities of the job, especially essential tasks, if the Town deems desirable. The Administrator may require certification stating the nature of the employee's illness, injury or disability and the employee's physical or emotional capacity to perform the duties for the job.

The employee's supervisor 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 Administrator shall be responsible for the application of this provision to the end that:

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

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

Section 15. Leave Pro-Rated.

Holiday, annual, and sick leave earned by full-time and part-time employees with fewer or more 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 work week (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 work week.
- 3) The number of hours in step 2 divided by 12 shall be the number of hours of leave earned monthly by the employees concerned, or divided by 26 shall be the number of hours of leave earned bi-weekly.

Section 16. Short-term Disability and Family Leave.

In the event of a short-term disability of the employee, the employee may be allowed up to 12 weeks of disability leave. However, disabilities differ, and depending upon the physician's advice and in consultation with and approval of the Town Council, the Council may alter the duration of the disability leave. Any combination of accumulated sick leave or vacation leave may be used to cover the absence required of the disability.

Employees who are absent due to illness or injury for longer than 180 days may be terminated as may any employee found to have failed to return to work after 3 months if physically qualified to return to work.

Parental and Family Leave: Parental leave will be granted to an employee for a period of up to 12 weeks for pregnancy, miscarriage, abortion, childbirth, recovery, or adoption. Employees may be granted an extension by the Council when medically necessary. This leave would be without pay unless the employee elected to use sick or annual leave as provided in this Article. A parental leave request, including the tentative duration of the leave requested, must be submitted to the Council in advance of the leave.

Vacation leave may be used during the period before and after childbirth when no actual disability is present, or during an adoption. Sick leave may be taken during the period of actual disability of the mother as certified by the attending physician, and when care of the disabled mother is required by an immediate family member. For the balance of the parental leave, the employee shall be on leave without pay. If an employee wishes to retain all accumulated sick and annual leave, leave without pay may be taken for the entire period.

Employees will be granted leave for a period of up to 12 weeks to care for a family member when ill. Employees may be granted an extension by the Council when medically necessary. This leave would be without pay unless the employee elected to use sick or annual leave as

provided in this Article. A family medical leave request, including the tentative duration of the leave requested, must be submitted to the Council in advance of the leave.

Section 17. Leave Without Pay.

A full or part-time employee may be granted a leave of absence without pay for a period of up to 12 months by the Council. The leave shall be used for reasons of personal disability after both sick leave and vacation have been exhausted, sickness or disability of immediate family members, continuation of education, special work that will permit the Town to benefit by the experience gained or the work performed, or for other reasons deemed justified by the Council. The employee shall apply in writing to the Town Council for leave. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Council. Upon returning to duty after being on leave without pay, the employee shall be entitled to return to the same position held at the time leave was granted or to one of like classification, seniority, and pay. If the employee decides not to return to work, the supervisor shall be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested, shall be considered a resignation.

Section 18. Leave Without Pay: Retention and Continuation of Benefits.

An employee shall retain all unused vacation and sick leave while on Leave Without Pay. An employee ceases to earn leave credits on the date leave without pay begins. The employee may continue to be eligible for benefits under the Town's group insurance plans at his or her own expense, subject to any regulation adopted by the Council and the regulations of the insurance carrier.

Insurance and payroll deductions are the responsibility of the employee and he/she must make those payments for continued coverage of that benefit, notwithstanding the Leave Without Pay status.

Section 19. Workers' Compensation Leave.

An employee absent from duty because of sickness or disability will be covered by the North Carolina Workers' Compensation Act. The employee is entitled to no compensation for the first seven days of disability unless the disability continues for more than 21 days, but may elect to use accrued sick leave, vacation, or compensatory time during the first waiting period. After the disability has continued for more than 21 days, the employee is entitled to receive compensation for the first seven days.

If the disability continues beyond seven days, full-time and part-time employees may also elect to supplement workers' compensation payments after benefits begin with sick leave, vacation, or compensatory time. However, the combination of leave supplement and workers' compensation payments may not exceed normal compensation. An employee on workers'

compensation leave may be permitted to continue to be eligible for benefits under the Town's group insurance plans.

When workers' compensation leave extends long enough for the waiting period to be reimbursed, the employee may require that the employee return the reimbursement check to the Town and have leave hours re-instated for all time covered by paid leave. In such cases, the Town will pay the employee for any unpaid time that is owed the employee. The Town may also decide to allow the employee to retain the reimbursement check, but not have leave time reinstated.

Section 20. Military Leave.

Regular employees who are members of an Armed Forces Reserve organization or National Guard shall be granted 10 work days (2 calendar weeks) per year or military leave without 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 10 days of military leave during the same calendar year.

If such duty is required beyond this ten workdays, the employee shall be eligible to take accumulated vacation leave or be placed in a leave without pay status, and the provisions of that leave shall apply.

Employees may use annual leave in hourly increments to supplement the military pay, but may be required to provide documentation of military pay, so that compensation from the Town and military sources does not exceed the amount normally paid by the Town.

While taking military leave, the employee's leave credits and other benefits shall continue to accrue as if the employee physically remained with the Town during this period. Employees who are eligible for military leave have all job rights specified by the Vietnam Veterans Readjustment Act.

Section 21. Reinstatement Following Military Service.

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 which the employee otherwise would have been provided, if available

Section 22. Civil Leave.

A Town employee called for jury duty or as a court witness for the federal or state governments, or a subdivision thereof, shall receive leave with pay for such duty during the required absence without charge to accumulated leave. While on civil leave, benefits and leave shall accrue as though on regular duty.

The employee shall be compensated for his/her scheduled hours of work for each day on which the employee receives jury pay in the amount of the difference between the jury pay the regular straight-time hourly rate for he scheduled hours of work on such day, not exceeding 8 hours a day, for a maximum of 15 days.

The employee must turn over to the Town any witness fees or travel allowance awarded by that court for court appearances in connection with official duties.

Employees in court for their own case or appearing voluntarily as a witness in another person's case must use annual leave or leave without pay for their time in court.

Section 23. Funeral Leave.

Employees who have completed probation will be granted 3 days /24 hours of funeral leave (not charged to other leave balances) for the purpose of preparing for and attending the funeral and for bereavement. Additional time off will be charged to leave-without-pay or, with the approval of the supervisor, to vacation time. Leave does not accumulate year to year.

No funeral leave will be credited unless the employee provides reasonable prior notice of the day(s) of intended absence and the time and date of intent to return to work.

Section 24. School Involvement Leave.

Full-time regular employees who are parents, guardians, or persons "standing in loco parentis" of a school-aged child shall be granted four hours per year of unpaid leave to attend or otherwise be involved at their child's school. However, the leave is subject to the following conditions:

- a. The leave shall be at a mutually agreed upon time between the supervisor and the employee;
- b. A written request must be submitted to the supervisor for the leave at least 48 hours before the time desired for the leave;

For the purposes of this section, “school” means any public school, private church school, church of religious charter, non-public school, preschool and child daycare facilities.

Employees may be allowed to use accumulated vacation or compensatory time with approval of the supervisor

Section 25. Education Leave.

An employee of the Town of Montreat may be granted leave of absence for job training, certification, or other job related training or education. Arrangements for expenses and compensation shall be made prior to the leave of absence on a case-by-case basis, as recommended by the Town Administrator or Department head and approved by the Council.

ARTICLE VIII. SEPARATION AND REINSTATEMENT

Section 1. Types of Separations.

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

Section 2. Resignation.

An employee may resign by submitting the reasons for resignation and the effective date in writing to the immediate supervisor as far in advance as possible. In all instances, the minimum notice requirement is two weeks for employees / four weeks for department heads. Failure to provide minimum notice shall result in forfeit of payment for accumulated vacation leave unless the notice is waived by the Council. When appropriate, the Administrator shall conduct an exit interview.

Sick leave will only be approved during the final two weeks of a notice with a physician's certification or comparable documentation.

Three consecutive days of absence without contacting the immediate supervisor may be considered to be a voluntary resignation.

Section 3. Reduction in Force.

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

Section 4. Disability.

An employee who cannot perform the essential duties of a position because of a physical or mental impairment may be separated for disability. Action may be initiated by the employee or the Town. In cases initiated by the employee, such action must be accompanied by medical evidence acceptable to the Council. The Town may require an examination, at the Town's expense, performed by a physician of the Town's choice.

Section 5. Voluntary Retirement.

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

Section 6. Death.

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

Section 7. Dismissal.

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

Section 8. Reinstatement.

An employee who is separated because of reduction in force may be reinstated with the approval of the Council. An employee who is reinstated within 3 years of separation shall be re-credited with his or her previously accrued sick leave.

An employee in good standing who is separated due to a reduction in force shall be given the first opportunity to be rehired in the same or a similar position.

Section 9. Rehiring.

An employee who resigns while in good standing may be rehired with the approval of the Council, and may be regarded as a new employee, subject to all of the provisions of rules and regulations of this Policy.

ARTICLE IX. UNSATISFACTORY JOB PERFORMANCE AND DETRIMENTAL PERSONAL CONDUCT

Section 1. Disciplinary Action for Unsatisfactory Job Performance.

A regular employee may be placed on disciplinary suspension, 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 termination shall be conducted by the primary supervisor with the approval of the Council prior to giving final notice to the employee.

Section 2. 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 Town. Examples of unsatisfactory job performance include, *but are not limited to*, the following:

- a) Demonstrated inefficiency, negligence, or incompetence in the performance of duties;
- b) Careless, negligent or improper use of Town property or equipment;
- c) Physical or mental incapacitation to perform duties;
- d) Discourteous treatment of the public or other employees;
- e) Absence without approved leave;
- f) Improper use of leave privileges;
- g) Failure to report for duty at the assigned time and place;
- h) Failure to complete work within time frames established in work plan or work standards;
- i) Failure to meet work standards over a period of time; or
- j) Failure to follow the chain of command to address work-related issues.

Section 3. 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 shall 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 shall 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 resulting in suspension, demotion, or dismissal is implemented. Where warnings are given, the supervisor

should record the date of discussions with the employee, the performance deficiencies discussed, the corrective actions recommended, and the time limits set for corrective action. The warnings given should include notice to the employee that failure to make timely corrections may result in disciplinary action, including suspension, demotion, or dismissal from employment.

If the employee's performance continues to be unsatisfactory, then the supervisor should make a written recommendation to the Council for disciplinary action such as suspension, demotion or dismissal. (See Section 6 of this chapter concerning pre-disciplinary conferences prior to disciplinary actions.)

Section 4. Disciplinary Action for Detrimental Personal Conduct.

An employee may be placed on disciplinary suspension by the Administrator, or, with the approval of the Council, demoted, or dismissed without prior warning for causes relating to personal conduct detrimental to Town service in order to

- a) avoid undue disruption of work;
- b) protect the safety of persons or property; or
- c) for other serious reasons.

Section 5. Detrimental Personal Conduct Defined

Detrimental personal conduct includes behavior of such a serious detrimental nature that undue or serious disruption of work of the Town has or may occur; the safety of persons or property may be or have been threatened; or the laws of any government may be or have been violated. Examples of detrimental personal conduct include, *but are not limited to*, the following:

- a) Fraud;
- b) Theft;
- c) Conviction of a felony or the entry of a plea of nolo contendere thereto;
- d) Falsification of records for personal profit, to grant special privileges, or to obtain employment;
- e) Willful misuse of gross negligence in the handling of Town funds or personal use of equipment or supplies;
- f) Willful or wanton damage or destruction to property;
- g) Willful or wanton acts that endanger the lives and property of others;
- h) Possession of unauthorized firearms or other lethal weapons on the job;
- i) Brutality in the performance of duties;

- j) 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;
- k) Engaging in incompatible employment or serving a conflicting interest;
- l) Request or acceptance of gifts in exchange for favors or influence;
- m) Engaging in political activity prohibited by this policy;
- n) Harassment of an employee(s) and/or the public on the basis of sex or any other protected class status;
- o) Stated refusal to perform assigned duties, flagrant violation of work rules and regulations, or serious malfeasance of work responsibilities; or
- p) Personal behavior which so severely damages an employee's credibility with staff and/or citizens as to render the employee ineffective in his or her assigned duties.

Section 6. Types of Disciplinary Actions and Pre-disciplinary Conference.

Employees may be disciplined for unsatisfactory job performance or detrimental personal conduct. The decision on the recommended appropriate discipline is made by the department head, with approval of the Council.

Suspension: Disciplinary suspensions are for the purpose of communicating the seriousness of the performance deficiency, not for the purpose of punishment, and shall be without pay.

Non-exempt employees: May be for short periods and should not generally exceed three days (24 hours) for nonexempt employees.

Exempt employees: In accordance with FLSA requirements to maintain exempt status, suspensions for exempt employees shall normally be for one full work week, especially if the suspension is for unsatisfactory job performance issues. Under FLSA suspensions of less than a week are authorized for major safety violations or infractions of workplace conduct rules (detrimental personal conduct).

Demotions: Demotions are appropriate when an employee has demonstrated inability to perform successfully in the current job, but shows promise and commitment to performing successfully in a lower level job.

Dismissal: Terminations are appropriate when the employee has shown he/she is unwilling or unable to perform work in a manner that meets the work and conduct standards of the Town.

Pre-disciplinary Conference: Before suspensions of 3 days or more, demotion, or dismissal action is taken, whether for failure in personal conduct or failure in performance of duties, the Administrator or Department Head will conduct a pre-disciplinary conference. At this

conference, the employee may present any response to the proposed disciplinary action. The Administrator or Department Head will consider the employee's response, if any, to the proposed disciplinary action, and will, within three working days following the pre-disciplinary conference, notify the employee in writing of the final decision to take disciplinary action. The notice of the final disciplinary action shall contain a statement of the reasons for the action and the employee's appeal rights.

Section 7. Non-Disciplinary Suspension.

During the investigation, hearing, or trial of an employee on any criminal charge, or during an investigation related to alleged detrimental personal conduct, or during the course of any civil action involving an employee, when suspension, in the opinion of the Administrator, would be in the best interest of the Town, the Administrator may suspend the employee for part or all of the proceedings as a non-disciplinary action. In such cases the Town may:

- 1) Temporarily relieve the employee of all duties and responsibilities and place the employee on paid leave for the duration of the suspension; or
- 2) Temporarily relieve the employee of all duties and responsibilities and place the employee on unpaid leave for the duration of the suspension; or
- 3) Temporarily assign the employee new duties and responsibilities and allow the employee to receive such compensation as is in keeping with the new duties and responsibilities.

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. The employee shall also receive any back pay withheld while on unpaid leave.

If the employee is terminated following suspension without pay, the employee shall not be eligible for any pay from the date of suspension; however, all other benefits with the exception of accrued vacation leave and sick leave shall be maintained during the period of suspension.

ARTICLE X. GRIEVANCE PROCEDURE AND ADVERSE ACTION APPEAL

Section 1. Policy.

It is the policy of the Town to provide a just procedure for the presentation, consideration, and disposition of employee grievances. The purpose of this article is to outline the procedure and to assure all employees that a response to their complaints and grievances will be prompt and fair.

Employees utilizing the grievance procedures shall not be subjected to retaliation or any form of harassment from supervisors or employees for exercising their rights under this policy. Supervisors or other employees who violate this policy shall be subject to disciplinary action up to and including dismissal from Town service.

Section 2. Grievance Defined.

A grievance is a claim or complaint by a current or a former employee based upon an event or condition, under the control of the Town, which affects the circumstances under which an employee works, allegedly caused by misinterpretation, unfair application, or lack of established policy pertaining to employment conditions.

Section 3. Purposes of the Grievance Procedure.

- 1) The purposes of the grievance procedure include, but are not limited to:
- 2) Providing employees with a procedure by which their complaints can be considered promptly, fairly, and without reprisal;
- 3) Encouraging employees to express themselves about the conditions of work which affect them as employees;
- 4) Promoting better understanding of policies, practices, and procedures which affect employees;
- 5) Increasing employees' confidence that personnel actions taken are in accordance with established, fair, and uniform policies and procedures; and
- 6) Increasing the sense of responsibility exercised by supervisors in dealing with their employees; and
- 7) Creating a work environment free of continuing conflicts, disagreements, and negative feelings about the Town or its leaders, thus freeing up employee motivation, productivity, and creativity.

Section 4. Procedure.

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

The last step initiated by an employee shall be considered to be the step at which the grievance is resolved. A decision to rescind a disciplinary suspension, demotion or dismissal must be approved by the Town Council before the decision becomes effective.

Representation: An employee may be accompanied and assisted by a representative of his or her choosing in attempting to resolve the grievance.

Informal Resolution. Prior to the submission of a formal grievance, the employee and supervisor should meet to discuss the problem and seek to resolve it informally. In addition, the employee or supervisor may request mediation from local mediation services or other qualified parties to resolve the conflict. Mediation may be used at any step in the process when mutually agreed upon by the employee and relevant Town supervisor. Mediation is the process where a neutral party assists the parties in conflict with identifying mutually agreeable solutions or understandings.

Step 1. If no resolution to the grievance is reached informally, the employee who wishes to pursue a grievance shall present the grievance to the appropriate supervisor in writing. The grievance must be presented within ten calendar days of the event or within ten calendar days of learning of the event or condition. The supervisor shall respond to the grievance within ten calendar days after receipt of the grievance. The supervisor should, and is encouraged to, consult with any employee of the Town in order to reach a correct, impartial, fair and equitable determination or decision concerning the grievance. Any employee consulted by the supervisor is required to cooperate to the fullest extent possible.

The response from the supervisor for each step in the formal grievance process shall be in writing and signed by the supervisor. In addition, the employee shall sign a copy to acknowledge receipt thereof. The responder at each step shall send copies of the grievance and response to the Town Administrator.

Step 2. If the grievance is not resolved to the satisfaction of the employee at the end of Step 1, the employee may appeal, in writing, to the Administrator within ten calendar days after receipt of the response from Step 1. The Administrator shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal.

Step 3. If the grievance is not resolved to the satisfaction of the employee at the end of Step 2, the employee may appeal, in writing, to the full Town Council within ten calendar days after receipt of the response from Step 1. The Council shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal. The Council's decision shall be the final decision.

Employees, department heads, or the Town Council may use trained human resource, mediation, or facilitation professionals at any step in the process to help improve communication and understanding or to help resolve the conflict.

Section 5. Grievance and Adverse Action Appeal Procedure for Discrimination.

When an employee, former employee, or applicant, believes that any employment action discriminates illegally -- i.e. is based on age, sex, race, color, national origin, religion, creed, political affiliation, or non-job related handicap -- he or she has the right to appeal such action using the grievance procedure outlined in this Article (Section 4 above). While such persons are encouraged to use the grievance procedure, they shall also have the right to appeal directly to the full Town Council.

Employment actions subject to appeal because of discrimination include promotion, training, classification, pay, disciplinary action, transfer, layoff, failure to hire, or termination of employment. An employee or applicant should appeal an alleged act of discrimination within thirty calendar days of the alleged discriminatory action, but may appeal for up to six months following the action.

ARTICLE XI. RECORDS AND REPORTS

Section 1. 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.

Section 2. Access to Confidential Records.

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

- 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 Administrator 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 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 Council shall determine in writing that the release is essential to maintaining the level and quality of Town services. The written determination shall be retained in the Town Administrator's office, is a record for public inspection, and shall become a part of the employee's personnel file.

The Town Council shall 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.

Section 3. Personnel Actions.

The Town Administrator will prescribe necessary forms and reports for all personnel actions and will retain records necessary for the proper administration of the personnel system.

Section 4. Records of Former Employees.

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

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

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

Section 6. Penalties for Permitting Access to Confidential Records.

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

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

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

Section 8. Destruction of Records Regulated.

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