



CITY OF ASHEBORO EMPLOYEE POLICIES AND PROCEDURES MANUAL

Promulgated by the City manager and originally approved by resolution by the Asheboro City Council on the 4th day of March 2004, and most recently revised with an effective date of March 1, 2015.

ARTICLE I: UNIFIED HUMAN RESOURCES SYSTEM.....	5
SECTION 1: ADMINISTRATION	5
SECTION 2: HUMAN RESOURCES DEPARTMENT	5
SECTION 3: PERSONNEL COMMITTEE	5
SECTION 4: SUPPLEMENTARY POLICIES	6
SECTION 5. EMPLOYMENT AT WILL.....	6
SECTION 6. EQUAL EMPLOYMENT OPPORTUNITY.....	6
SECTION 7. PROHIBITION OF SEXUAL HARASSMENT	6
SECTION 8. AMERICANS WITH DISABILITIES ACT	7
SECTION 9. EMPLOYMENT OF RELATIVES.....	7
SECTION 10. IMPLEMENTATION OF POLICIES.....	7
ARTICLE II. POSITION CLASSIFICATION PLAN	8
SECTION 1. ALLOCATION OF POSITIONS.....	8
SECTION 2. "FULL TIME EMPLOYEES" DEFINED	8
SECTION 3. "PART TIME EMPLOYEES" DEFINED	8
SECTION 4. "SEASONAL RECREATIONAL EMPLOYEES DEFINED".....	8
SECTION 5. "REGULAR EMPLOYEES" DEFINED	8
SECTION 6. ADMINISTRATION	9
SECTION 7. AMENDMENT OF THE POSITION CLASSIFICATION PLAN.....	9
ARTICLE III. RECRUITMENT AND EMPLOYMENT	10
SECTION 1. RECRUITMENT AND EMPLOYMENT APPLICATION PROCEDURES	10
SECTION 2. INITIAL SELECTION OF A CANDIDATE TO FILL A VACANCY	11
SECTION 3. CONDITIONAL OFFER OF EMPLOYMENT.....	12
SECTION 4. NOTIFICATION OF EMPLOYMENT	13
SECTION 5. PROBATIONARY PERIOD OF EMPLOYMENT	13
ARTICLE IV: PAYROLL ADMINISTRATION	15
SECTION 1. GENERAL.....	15
SECTION 2. MAINTENANCE OF PAY PLAN	15
SECTION 3. TRANSITION TO A NEW PAY PLAN.....	15
SECTION 4. USE OF SALARY RANGES	15
SECTION 5: STARTING SALARIES.....	15
SECTION 6: PAY RATES IN PROMOTION, DEMOTION OR TRANSFER	16
SECTION 7: PAYROLL DEDUCTIONS	16
SECTION 8: WORKERS' COMPENSATION.....	16
SECTION 9: OVERTIME AND SPECIAL DUTY ASSIGNMENT	18
SECTION 10: PAYROLL DISCREPANCIES	20
ARTICLE V: LEAVES OF ABSENCE.....	21
SECTION 1. HOLIDAYS	21
SECTION 2. VACATION LEAVE – BASIC ACCRUAL	22
SECTION 3. VACATION LEAVE – MAXIMUM ACCUMULATION	22
SECTION 4. VACATION LEAVE – MANNER OF TAKING	22
SECTION 5. VACATION LEAVE – TERMINAL PAY	23
SECTION 6. VACATION LEAVE – DEATH PAYMENT	23

SECTION 7. SICK LEAVE - GENERALLY	23
SECTION 8. SICK LEAVE – BASIC ACCRUAL	23
SECTION 9. SICK LEAVE - ACCUMULATION	23
SECTION 10. SICK LEAVE – PHYSICIAN’S CERTIFICATE	23
SECTION 11. SICK LEAVE – RETIREMENT CREDIT	24
SECTION 12. SICK LEAVE - NOTIFICATION	24
SECTION 13. SICK LEAVE – ADVANCEMENT	24
SECTION 14. SICK LEAVE - TERMINATION	25
SECTION 15. SICK LEAVE - TRANSFER	25
SECTION 16. FAMILY AND MEDICAL LEAVE ACT.....	25
SECTION 17. VOLUNTARY SHARED LEAVE	27
SECTION 18. BEREAVEMENT LEAVE.....	28
SECTION 19. MILITARY LEAVE.....	29
SECTION 20. CIVIL LEAVE.....	29
SECTION 21. LEAVE FOR PARENTAL/GUARDIAN INVOLVEMENT IN SCHOOLS	29
SECTION 22. ADVERSE WEATHER AND EMERGENCY CLOSINGS	30
SECTION 23. LEAVE WITHOUT PAY	33
SECTION 24. WORKERS’ COMPENSATION LEAVE.....	33
SECTION 25. UNAUTHORIZED LEAVE	34
ARTICLE VI: BENEFITS	35
SECTION 1. PURPOSE.....	35
SECTION 2. ELIGIBILITY	35
SECTION 3. GROUP HEALTH AND HOSPITALIZATION INSURANCE.....	35
SECTION 4. GROUP HEALTH AND HOSPITALIZATION INSURANCE FOR RETIRING EMPLOYEES	38
SECTION 5. NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES’ RETIREMENT SYSTEM	39
SECTION 6. SPECIAL SEPARATION ALLOWANCE FOR LAW ENFORCEMENT OFFICERS.....	39
SECTION 7. GROUP LIFE INSURANCE.....	40
SECTION 8. YEAR OF SERVICE	40
SECTION 9. EMPLOYEE ASSISTANCE PROGRAM	40
ARTICLE VII: GENERAL WORKPLACE POLICIES/CONDITIONS OF EMPLOYMENT.....	41
SECTION 1: GIFTS AND FAVORS.....	41
SECTION 2: OUTSIDE AND DUAL EMPLOYMENT	41
SECTION 3: POLITICAL ACTIVITY RESTRICTED	41
SECTION 4. VEHICLES OWNED BY THE CITY.....	41
SECTION 5. TELEPHONE AND ADDRESS.....	42
SECTION 6. SUBSTANCE ABUSE POLICY	42
(A) Definitions.....	42
(B) Policy.....	44
SECTION 7. WORKPLACE VIOLENCE.....	47
ARTICLE VII: PROMOTIONS, TRANSFERS, DEMOTIONS.....	49
SECTION 1: PROMOTIONS.....	49
SECTION 2. TRANSFERS	49
SECTION 3. DEMOTIONS	49
ARTICLE IX: SEPARATIONS AND REINSTATEMENTS.....	50
SECTION 1: RESIGNATION	50

SECTION 2. REDUCTION IN FORCE	50
SECTION 3. DISABILITY	50
SECTION 4. RETIREMENT - GENERALLY	50
SECTION 5. DEATH	50
SECTION 6. DISMISSAL	50
SECTION 7. SEPARATION PROCEDURES	51
SECTION 8. REINSTATEMENTS	51
ARTICLE X: DISCIPLINARY ACTIONS.....	52
SECTION 1: POLICY	52
SECTION 2. PURPOSE.....	52
SECTION 3. CAUSATION	52
SECTION 4. PROCEDURE.....	52
(1) Written Warning	52
(2) Written Warning with Condition(s) of Continued Employment	52
(3) Pre-Dismissal Hearing	53
(4) Suspension.....	53
SECTION 5. DISMISSAL/DEMOTION	53
SECTION 6. RIGHTS OF APPEAL	54
A. Appeal from a Division Director/Department Head to the Human Resources Director	54
B. Appeal from the Human Resources Director's decision to the City Manager.....	55
SECTION 7. ADMINISTRATIVE GUIDELINES	55
A. Unsatisfactory Performance of Duties.....	55
B. Improper Personal Conduct	56
C. Written Warning.....	57
D. Suspension	57
E. Review of Documentation.....	58
ARTICLE XI: GRIEVANCE PROCEDURE.....	60
A. Informal Discussion with Immediate Supervisor.....	60
B. Conference Meeting with Division Director/Department Head.....	60
C. Conference Meeting with the Human Resources Director	61
D. Conference Meeting with the City Manager	61

ARTICLE I: UNIFIED HUMAN RESOURCES SYSTEM

SECTION 1: ADMINISTRATION

The city manager shall have the final responsibility for the administration of employee policies and procedures. In addition, each supervisor and manager of the city has an affirmative duty to enforce the employee policies and procedures.

SECTION 2: HUMAN RESOURCES DEPARTMENT

The human resources department shall be under the direct supervision of the human resources director. The office shall have as its primary responsibility the maintenance of all personnel records, recruiting, screening, and assisting division/department heads with hiring new employees, and advising employees of all policies, benefits and procedures.

SECTION 3: PERSONNEL COMMITTEE

The purpose of the personnel committee will be to provide a representative body through which city employees, management and non-management alike, will be able to express their opinions as they relate to policies, benefits, and procedures.

Incumbents holding the following city positions shall serve as standing members of the committee: City manager, human resources director, accounting specialist, and personnel specialist. The human resources director shall serve as chairperson of the committee and will only vote on matters presented to the committee in the case of a tie.

In addition to the standing members of the committee, the chairperson shall initially appoint ten (10) employees to serve on the committee. Ultimately, these persons shall serve staggered two (2) year terms. The chairperson shall strive to maintain proportional representation of management and non-management employees on the committee at all times. The two (2) year term of service for each member of the committee shall commence on April 1st of the calendar year when the member is appointed. With the exception of the first five (5) members of the personnel committee to be appointed by the chairperson, a member's term shall not expire until two (2) years later at midnight on March 31st. The first (5) employees appointed by the chairperson to serve on the committee shall serve a term of one (1) calendar year that commences on April 1, 2002, and expires at midnight on March 31, 2003. The next group of five (5) appointees shall serve a full two (2) year term that commences on April 1, 2002, and expires at midnight on March 31, 2004. Prior to the expiration of terms of the first five (5) employees appointed by the committee, five (5) new members shall be appointed by the chairperson and confirmed by a majority of the existing committee members whose terms do not expire until midnight on March 31. The same procedure shall be followed every year subsequent to 2003 in order to replace the five (5) members whose term of office expires at midnight on March 31st of a given year. A currently serving member of the committee shall be eligible for reappointment to another term of service. However, other than standing members of the committee, no member shall serve in excess of four (4) consecutive years on the committee. In the case of a member of the committee that is terminating his or her employment with the city or resigning from the committee

prior to the expiration of his or her term, the chairperson, subject to confirmation by a majority of the existing members of the committee, shall appoint an employee to serve the remainder of the unexpired term.

SECTION 4: SUPPLEMENTARY POLICIES

Any and all municipal/departmental policies that are not contained herein and that impact the uniform human resources system administered by the City of Asheboro shall be subordinate to the policies found in this manual. In the event of a conflict, the policies found in the City of Asheboro Employee Policies and Procedures Manual shall control. Divisions/departments may develop supplemental policies and procedures to meet their unique personnel requirements. Such supplemental policies must be approved by the human resources director and the city manager.

SECTION 5. EMPLOYMENT AT WILL

The policies and procedures set forth in this manual do not entitle any person to be employed or remain employed by the City of Asheboro. Employees of the City of Asheboro are subject to the employment at will doctrine.

SECTION 6. EQUAL EMPLOYMENT OPPORTUNITY

It is the policy of the city to foster, maintain, and promote equal employment opportunity. The city 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, non-job-related disability, genetic information, national origin, or political affiliation. Discrimination because of past, present, or future military service will not be tolerated and is expressly prohibited in the areas of initial employment, retention in employment, promotion, or the benefits of employment.

SECTION 7. PROHIBITION OF SEXUAL HARASSMENT

The City of Asheboro prohibits in any form the sexual harassment of city employees or applicants, and requires that all work sites be free of sexual harassment. Sexual harassment is defined as deliberate, unsolicited, and unwelcomed verbal and/or physical conduct of a sexual nature or with sexual implications by a supervisor or co-worker which: (1) has or may have direct employment consequences resulting from the acceptance or rejection of such conduct; (2) interferes with an individual's work performance; or (3) creates an intimidating, hostile or offensive working place. It is the responsibility of the employee to report sexual harassment to management. The reporting requirement can be met by completing a "City of Asheboro Sexual Harassment Complaint Form." This form can be obtained from either the employee's supervisor, department head, or by coming directly to the human resources department.

SECTION 8. AMERICANS WITH DISABILITIES ACT

The City of Asheboro prohibits any form of discrimination against persons with physical or mental disabilities. The city is committed to full compliance with the Americans with Disabilities Act.

SECTION 9. EMPLOYMENT OF RELATIVES

The city prohibits the hiring of relatives within the same department; however, related persons may work for the city in different departments. When an issue pertaining to the employment of relatives within the same department arises subsequent to the hiring process, the permissibility of related persons working within the same department will be evaluated on a case-by-case basis. While not expressly prohibited, such a situation is discouraged. An employee may not serve as a direct supervisor for a related employee under any circumstances.

For the purpose of this section, relatives shall include spouse, mother, father, guardian, children, sister, brother, grandparents, grandchildren, plus the various combinations of half, step, in-law and adopted relationships that can be derived from those named.

Seasonal recreational and part-time employees in the Cultural Services or the Recreation Services departments are exempted from the prohibition specified in this section.

SECTION 10. IMPLEMENTATION OF POLICIES

All employees, supervisory and line employees alike, are hereby charged with the responsibility of continually reviewing the employee policies and procedures found in this manual and ensuring that conduct and practices in the workplace conform with the guidelines found. Workplace practices or customs are to be constantly reviewed in order to make sure that a divergence does not develop between the workplace practices and the city's written policies. Without limiting the importance of other policies, specific attention is to be given to ensuring that safety policies and guidelines are properly observed, workplace violence is prevented, and equal employment opportunity based on reasonable job-related job requirements is actively advocated and practiced to the end that no employee or applicant for employment shall suffer discrimination because of age, sex, race, color, religion, non-job related disability, genetic information, national origin, political affiliation, or military service.

ARTICLE II. POSITION CLASSIFICATION PLAN

SECTION 1. ALLOCATION OF POSITIONS

The city manager shall be the approving authority for the City of Asheboro classification and salary plan developed by the Human resources department. The director of human resources shall allocate each class title to the appropriate class code in the position classification plan.

SECTION 2. "FULL TIME EMPLOYEES" DEFINED

"Full-time employees" are those who are in positions for which an average work week consists of 40 hours or more and continuous employment of 12 months is required by the city. Layoff and authorized leave-without-pay do not interrupt continuous employment for purposes of this section.

SECTION 3. "PART TIME EMPLOYEES" DEFINED

"Part-time employees" are those who are in positions for which an average work week consists of less than 40 hours and the employee receives no benefits. If a part-time employee should occasionally work over 40 hours in a single week they would be paid according to Fair Labor Standard Act (FLSA) requirements. Notwithstanding any provision found within Article II of this Manual, the definitions found in Article VI, Section 3 of this Manual pertaining to part-time employees shall be controlling for the limited purpose of interpreting and implementing the group health and hospitalization insurance benefits described in the said Article VI, Section 3.

SECTION 4. "SEASONAL RECREATIONAL EMPLOYEES DEFINED"

"Seasonal Recreational employees" are those who are employed in a recreational establishment in an interim position for less than six (6) full months in any one calendar year. As a matter of standard practice, the city will not maintain an employee in a position of employment that is classified as seasonal recreational for a period of time in excess of four (4) consecutive calendar months during a calendar year. Seasonal employees are exempt from Fair Labor Standards Act overtime requirements and this policy's Article V Section 3, Employment of Relatives requirement. Notwithstanding any provision found within Article II of this Manual, the definitions found in Article VI, Section 3 of this Manual pertaining to seasonal employees shall be controlling for the limited purpose of interpreting and implementing the group health and hospitalization insurance benefits described in the said Article VI, Section 3.

SECTION 5. "REGULAR EMPLOYEES" DEFINED

All full-time and part-time employees who have successfully completed their probation periods shall be considered regular employees.

All city positions are subject to budget review and approval each year, and employees must meet established standards of conduct and job performance. Reference to "regular employees" or "regular positions" should not be construed as a right or contract to perpetual funding or employment.

SECTION 6. ADMINISTRATION

The human resources department shall administer and maintain the position classification plan.

- (a) Department Heads shall be responsible for bringing to the attention of the director of human resources the need for additional or fewer positions and significant changes in the nature of duties, responsibilities, or working conditions affecting a position.
- (b) The city manager shall approve assigning the new position to an existing class title or amending the position classification plan to establish a new class title.
- (c) The human resources department shall establish a schedule to audit one third of the class titles in the position classification plan each year.
- (d) When the human resources department determines that a substantial change has occurred in the nature of duties, responsibilities, or working conditions of an existing class title, the existing job description shall be revised by the human resources director. Any such revisions shall be subject to the approval of the city manager.

SECTION 7. AMENDMENT OF THE POSITION CLASSIFICATION PLAN

The city manager may approve amendments recommended by the director of human resources to the position classification plan that change the assigned salary range of the existing class title, reassign the position to the appropriate class title within the existing position classification plan, or establish a new class title.

ARTICLE III. RECRUITMENT AND EMPLOYMENT

SECTION 1. RECRUITMENT AND EMPLOYMENT APPLICATION PROCEDURES

At the time of an employment vacancy, members of the human resources department, in consultation with the division/department head, will determine to what extent, if any, the vacancy should be advertised. All vacancy announcements distributed throughout the community will specify qualifying requirements and the pay range of the positions to be filled. Employment advertisement shall contain assurances of equal employment opportunities and shall comply with federal and state statutes regarding the prohibition of discrimination in employment matters.

Upon inquiry, each individual interested in employment with the city shall be informed of all current job vacancies open to external candidates. In order to be considered for employment with the city, an individual must submit a written application on the form prescribed by the human resources department for current job vacancies only.

In order to ensure that an accurate background check can be completed in the event a conditional offer of employment is extended to an individual, applicants for employment with the city shall, upon request, provide information that can be used to confirm the identity of the applicant along with written consent to conduct a background check, including without limitation a check of the applicant's criminal history record information. The requested information may include, but is not limited to, the applicant's full name, documents such as a birth certificate or driver's license, and/or a completed applicant fingerprint card.

The request for written consent to conduct a background check shall include, at a minimum, notice that North Carolina law, subject to certain exceptions for individuals who are seeking or hold any certifications issued by the North Carolina Criminal Justice Education and Training Standards Commission, allows applicants to not refer to any arrest, charge, or conviction that has been expunged. An applicant need not, in answer to a question concerning any arrest or criminal charge that has not resulted in a conviction, include a reference to or information concerning charges or convictions that have been expunged. An applicant shall not be denied employment solely because of the applicant's failure or refusal to disclose information concerning any arrest, criminal charge, or criminal conviction of the applicant that has been expunged.

Applications will be kept active for each position opening identified on the application during the recruitment process. Once the positions identified on the application are filled, the application will be inactive. In order for an individual to be considered for any future job vacancies, a new application will have to be properly submitted to the city.

Qualified persons currently employed by the city shall receive first consideration for filling those vacancies that represent promotional opportunities via the internal posting process outlined below. Thus, not all position vacancies will be advertised and open to external candidates.

Persons dismissed by the city for unsatisfactory performance of duties or improper personal conduct may not be rehired.

SECTION 2. INITIAL SELECTION OF A CANDIDATE TO FILL A VACANCY

- (A) Upon learning of a future vacancy, the division/department head should **immediately** notify the human resources department of the pertinent information concerning the vacancy.
- (B) The human resources department, with guidance from the department head or division director, will complete a Request to Fill Vacancy Form.
- (C) The human resources department, with guidance from the department head or division director, will determine whether or not the vacancy should be advertised externally and proceed accordingly. If external advertisement is deemed necessary, timelines for the closing of the announcement will then be established.
- (D) The following guidelines are applicable to the posting of job vacancies:
 - (1) **Internal Postings.** Positions are to be posted internally for a minimum of 5 working days for promotional considerations. The human resources department will generate the internal posting for distribution upon notification of the vacancy. When a vacancy for a position occurs within a department, employees who meet the minimum qualifications may apply for that position. Internal postings may be department specific or city-wide.
 - (2) **External Postings.** Positions which are advertised externally shall be advertised (open to recruitment) for a minimum of 5 working days. When circumstances warrant, the 5-working day internal and external vacancy announcements may be posted concurrently. All positions advertised externally will be posted on the city's website and with the local office of the division of employment security and, as determined to be appropriate, advertised through media and other professional sources.
- (E) The human resources department will receive and screen applications. All applications must be channeled through the human resources department in order for the application to be given consideration for employment. Applications will only be accepted for advertised openings. All persons expressing interest in employment with the city shall be given the opportunity to file an application for employment if a current vacancy exists. A person may apply for up to 3 current vacancies using the same application form.
- (F) The human resources department will conduct a screening interview for the best qualified candidates.
- (G) A final list of pre-screened candidates will then be referred to the division/department head and/or designee.
- (H) The division/department head and/or designee will interview a candidate from the individuals suggested or request that the search process for a candidate be continued.

- (l) Notwithstanding any other provision, the following exceptions to the procedures specified herein are hereby recognized and accepted as valid exceptions to the posting and selection procedures specified within this manual:
 - (a) The city manager may, at any time, fill a vacancy without an internal or external posting process when such an action is deemed by the city manager, in his sole discretion, to be in the best interest of the city; and
 - (b) Divisions or departments of the city, in consultation with the human resources director and with the approval of the city manager, may utilize a modified screening and selection procedure when such a modification is necessary to comply with occupational licensing board requirements applicable to the position that the division director or department head is attempting to fill.

SECTION 3. CONDITIONAL OFFER OF EMPLOYMENT

When a department head notifies the human resources department of the selection of an applicant as the candidate initially identified as best suited for an open position of employment, the human resources department will contact the selected applicant and extend a written conditional offer of employment. This written conditional offer of employment will advise the selected candidate that the granting of employment with the city is contingent upon the successful completion of a pre-employment drug screen, physical, and background check that includes a criminal history record check, verification of information contained within the individual's application materials, and, if the position sought by the applicant requires the ability to operate a motor vehicle, a review of the applicant's driving history. In addition to the items listed in the immediately preceding sentence, this offer of employment may also be conditioned on the completion, to the satisfaction of the city, of any other examinations, tests, or reviews that are mandated by the applicable federal, state, and local laws, ordinances, and administrative regulations for the occupation/job sought by the applicant.

When an inquiry of criminal history record information indicates that an individual has one or more pending criminal charges and/or has been convicted of or accepted responsibility for one or more felonious or misdemeanor criminal offenses, such information will not serve as an automatic disqualifier that mandates the withdrawal of a conditional offer of employment. Any pending criminal charge(s) and/or past criminal conduct will be subjected to an individualized review of the entirety of the available information before a decision is made as to whether to withdraw a conditional offer of employment. At a minimum, this review will take into account the type of crime(s) of which the individual has been charged or was convicted/accepted responsibility, the frequency of violations and/or any pattern of offenses, the time that has elapsed since the date(s) of any conviction(s)/disposition(s), the applicant's age at the time of any conviction(s)/disposition(s), and the impact, if any, of the past criminal conduct or pending charges of criminal conduct on the ability of the applicant to perform the essential job functions of the position for which he or she has applied in a manner consistent with the maintenance of the public trust and confidence that is essential to the city's effective delivery of municipal services.

With regard to the pre-employment drug screen and the physical examination, a health care provider performing a medical examination shall be instructed to not report family medical history. The relevant inquiry in this employment-related medical exam is not what the candidate's health may be in the future, but rather what the candidate's present ability is to perform the essential functions of the job. If the selected candidate tests positive for drugs and/or is found to be unable to perform an essential function of the job for which the individual has been selected, the conditional offer of employment will be withdrawn.

Applicants for employment who refuse to comply with or are unable to fully satisfy the conditions attached to a conditional offer of employment, including without limitation fully cooperating with and completing the mandated physical exam and drug screening, are automatically disqualified from final appointment to the position for which they have applied.

Tests required or administered by the city shall be those measuring the skills actually required to perform the essential functions of the job for which an individual has applied.

SECTION 4. NOTIFICATION OF EMPLOYMENT

If and when a selected candidate satisfies the contingencies stated in the conditional offer of employment, the human resources department will transmit to the selected candidate a formal letter of probationary employment with the City of Asheboro. An effective date of hire will be determined based on the needs of the supervisor/department head.

The human resources department will then provide to the selected candidate a new employee orientation that will include, without limitation, an explanation of the city's safety policies and procedures, the necessary payroll documents, and the enrollment of the new employee in the city's insurance programs along with an explanation of the benefits package.

The human resources department will advise the appropriate supervisor that the new employee has completed orientation and the supervisor can greet the new employee at the human resources department or at the new employee's assigned workplace.

SECTION 5. PROBATIONARY PERIOD OF EMPLOYMENT

New employees, promoted employees, or any employee transferred to another position shall serve a probationary period of six (6) months. New employees may be dismissed during the probationary period at any time. A new probationary employee dismissed may not appeal such action. The new employee will be given notice of dismissal in writing.

Promoted or transferred employees may be reassigned at any time during the probationary period to comparable positions if the department head or division director concludes that the promoted or transferred employee is not satisfactorily progressing in the new assignment. Such reassignments are not subject to appeal.

No vacation or sick leave may be taken by a new probationary employee nor will a new probationary employee be paid for any accrued vacation or sick leave if employment is terminated during the probationary period. If a probationary employee is injured on the job they may use any accrued time during the seven (7) day waiting period imposed by the Workers' Compensation Act.

New probationary full-time employees are eligible for general salary increases or a cost of living allowance authorized by the city council. Upon the successful completion of an individual's probationary employment and the attainment of regular employee status, a 2-step salary increase will be granted.

ARTICLE IV: PAYROLL ADMINISTRATION

SECTION 1. GENERAL

The pay plan includes the basic salary schedule adopted and amended by the City Council. The salary schedule shall consist of minimum and maximum rates of pay and intermediate steps for all classes of positions included in the position classification plan.

SECTION 2. MAINTENANCE OF PAY PLAN

The human resources department under the direction of the city manager shall be responsible for the maintenance and administration of the pay plan. The pay plan is intended to provide equitable compensation for all positions when considered in relation to each other, to general rates of pay for similar employment in the private sector and in other public jurisdictions in the area, to changes in cost of living, to financial conditions of the area and other factors. The human resources department will periodically make comparative studies of all factors affecting the level of salary ranges and will recommend to the city manager such changes in salary ranges as appear to be pertinent. Adjustments to the assigned salary level for the class of employees affected will be subject to approval by the city manager.

SECTION 3. TRANSITION TO A NEW PAY PLAN

The following provisions shall govern the transition to a new pay plan.

- a) No employee shall receive a salary reduction as a result of the transition to a new pay plan.
- b) An employee being paid at a rate lower than the minimum rate established for such employee's class shall be raised to a salary at or above the new minimum for the class.
- c) An employee being paid at a rate above the maximum rate established for such employee's class shall remain at such rate until their salary falls within the established salary range for the classification.

SECTION 4. USE OF SALARY RANGES

Salary ranges are intended to furnish administrative flexibility in recognizing individual differences among positions allocated to the same class, in providing employee incentive and in rewarding employees for meritorious service. All employees covered by the pay plan shall be paid at a listed rate within the salary ranges established for their perspective job classes except for employees in a trainee status.

SECTION 5: STARTING SALARIES

The minimum rate established for the class shall be the normal hiring rate, except in cases where unusual circumstances warrant appointment at a higher rate. On the

recommendation of the department head with the approval of the city manager approval of a rate above the minimum may be made when it is deemed to be in the best interest of the city. Approval will be based on the qualifications of the applicant in excess of the requirements for the class; where there is a shortage of qualified applicants available at the minimum step; and when qualified applicants decline employment at the minimum step.

SECTION 6: PAY RATES IN PROMOTION, DEMOTION OR TRANSFER

When employees are promoted, demoted, or transferred, the rate of pay in the new position shall be established in accordance with the following provisions:

- (A) **Promotions.** An employee promoted to a higher grade shall be placed at the minimum rate of the new grade (step 1) or the nearest step, without going over, to a 2 step increase on the employee's current grade, whichever is higher.
- (B) **Demotions.** The pay of an employee demoted to a position of lower classification shall be adjusted to a step within the level to which the employee is assigned. This action may result in a decrease in pay.
- (C) **Transfers.**
 - 1) When an employee is transferred from the position of one class to the position of another class of the same level, the employee will continue to be paid at the same rate.
 - 2) Subject to the following requirements, the pay of an employee transferred to a position of lower classification shall be adjusted to a step within the level to which the employee is assigned:
 - (a) When the transfer is the result of a mutual decision by the employee and the city that such a transfer is in the best interest of both parties, the employee shall remain at the same rate of pay in the lower grade.
 - (b) When the transfer is at the sole request of the employee, the employee's pay will be adjusted to the appropriate level of pay within the lower grade. Such an adjustment may result in a decrease in pay.

SECTION 7: PAYROLL DEDUCTIONS

Deductions shall be made for each employee's salary as required by law. Additional deductions may be made upon the request of the employee and on determination of the city manager as to the capability of payroll equipment.

SECTION 8: WORKERS' COMPENSATION

The City of Asheboro is subject to the North Carolina Workers' Compensation Act. Employees are required to report in writing all injuries arising out of and in the course of their employment with the city to their immediate supervisor at the time of the injury in order that appropriate action may be taken at once.

Subject to the provisions of the North Carolina Workers' Compensation Act and all applicable laws, rules, and regulations pertinent to workers' compensation claims, the following City of Asheboro guidelines shall be applicable to all claims submitted by city employees on and after April 11, 2008:

- (A) Employees may utilize accrued compensatory time and accrued paid leave during the 7-day waiting period prescribed by the North Carolina Workers' Compensation Act. If an employee elects to use accrued compensatory time or accrued paid leave during the 7-day waiting period, all of the available accrued compensatory time shall be used prior to the utilization of any accrued paid leave time. With the commencement of weekly benefits in accordance with the North Carolina Workers' Compensation Act, neither compensatory time nor accrued paid leave time may be used by an employee to supplement the statutorily prescribed weekly benefits. An employee will not be required to reimburse the city for payments made by the city during the 7-day waiting period.
- (B) On the eighth day of the authorized absence, the employee will automatically be placed on Workers' Compensation leave. Once the statutorily prescribed weekly benefits and Workers' Compensation leave have begun, qualified employees will be placed on FMLA leave. The FMLA leave and Workers' Compensation leave shall run concurrently with each other.
- (C) Timesheets must reflect Workers' Compensation leave on the days in which leave is taken.
- (D) Employees will not be required to use accrued compensatory time or accrued paid leave when appointments have been properly made during scheduled work hours as part of the process to resolve a claim filed under the North Carolina Workers' Compensation Act. This use of regular work hours shall be limited in duration to the reasonable period of time needed to satisfy the purpose of the scheduled appointment, including travel time. Employees should try to schedule appointments at a time most convenient for their work unit. The employee is expected to return to work after the appointment has been concluded, unless the authorized health care provider has restricted the employee from doing so.
- (E) The city encourages early return to work for employees who suffer work related injuries or illnesses. If the healthcare provider determines that the injured employee cannot return to their job without restrictions, a modified work assignment or reassignment to a different job will be considered. In all cases, division/department heads are expected to consult with the human resources director and to work with employees to identify modified duty opportunities, with the primary focus being the return of the employee to their regular job. Employees who return to a modified duty assignment must perform the work within the restrictions indicated by the healthcare provider. Failure to report to a modified duty assignment may result in disciplinary action. Employees are responsible for providing their division/department head with written notice of any change in restrictions by the healthcare provider. The modified duty assignment will end when the employee reaches maximum medical improvement.

- (F) Employees must report to their next scheduled shift once the healthcare provider releases them to work. If the employee reaches maximum medical improvement but cannot return to the original job, the human resources director will consider all other options available under the city's employment policies.

In compliance with Section 160A-164.1 of the North Carolina General Statutes, the provisions of this Section shall be deemed to be applicable in all respects to city employees that are absent from work due to an adverse medical reaction resulting from the employee receiving in employment vaccination against smallpox incident to the Administration of Smallpox Countermeasures by Health Professionals, Section 304 of the Homeland Security Act, Pub. L. No. 107-296 (Nov. 25, 2002) (to be codified at 42 U.S.C. sec. 233(p)).

SECTION 9: OVERTIME AND SPECIAL DUTY ASSIGNMENT

- (A) The city abides by all applicable sections of the Fair Labor Standards Act, the Fair Labor Standards Amendments of 1986, and all subsequent amendments. On the basis of time sheets or time cards submitted by the employees, the city will properly record all applicable overtime accrued for each covered employee.
- (B) With the exception of subsection (J), this overtime and special duty assignment policy is applicable only to employees of the City of Asheboro who are non-exempt under the Fair Labor Standards Act.
- (C) Employees are expected to work during all assigned periods exclusive of breaks or mealtimes. Employees are not to perform work during any time that they are not scheduled to work unless they receive approval from their immediate supervisor, except in cases of emergency. An emergency exists if a condition arises that could reasonably result in injury or harm to a person, damage to property, or that requires the immediate attention of the employee. Employees who work excess hours because of an emergency shall advise their immediate supervisor of the unscheduled work as soon as practical following completion of the work.
- (D) It is the policy of the city, in agreement with its employees, that employees receive compensatory time-off at a rate of one-and-one-half (1-½) hours for each hour of overtime worked. Except for law enforcement officers and firefighters, non-exempt employees receive compensatory time-off at the rate of one-and-one-half (1-½) hours for every hour worked over forty (40) hours in a seven-day workweek. Non-exempt law enforcement officers are entitled to this overtime rate only for hours worked in excess of one hundred seventy-one (171) hours in a twenty-eight-day cycle, and firefighters are entitled to this overtime rate only for hours worked in excess of two hundred four (204) hours in a twenty-seven-day cycle.
- (E) In situations where a non-exempt employee performs work that fails to qualify as overtime work because the employee will not actually work over forty (40) hours during the seven-day workweek, or for law enforcement officers and firefighters the threshold amount set for overtime work during the prescribed twenty-eight-day or twenty-seven-day cycle will not be satisfied, such an employee may accrue, as a bonus, one-and-one-half (1-½) hours of compensatory time-off for every hour worked in furtherance of the assigned task if the work is designated and explained

as a special duty assignment by the employee's division director or department head on the employee's time sheet or time card. Alternatively, a non-exempt employee may receive, as a bonus, a monetary payment rather than compensatory time-off for work on an assigned task if such work, along with the request for the payment of a bonus, is designated and explained as a special duty assignment by the employee's division director or department head on the employee's time sheet or time card. Such a bonus monetary payment shall be one-and-one-half (1-½) times the employee's regular rate of pay for each hour worked as a special duty assignment.

- (F) When a non-exempt employee is called back to work outside regularly scheduled working hours, the employee's division director or department head is to evaluate the totality of the circumstances and make a determination as to which of the following options will be utilized:
 - (a) The call-back event can be designated as a special duty assignment, including using the rate for calculating bonus compensation described above in subsection (E), with a guarantee that the employee will receive, under this option, credit for no less than two (2) hours of special duty assignment work, or
 - (b) The call-back event can be integrated into flexible, alternative scheduling of the employee's work time during the workweek or the twenty-eight-day/twenty-seven-day cycle in which the call-back event occurred.
- (G) Non-exempt law enforcement officers, firefighters, and employees engaged in seasonal activities may accrue not more than four hundred eighty (480) hours of compensatory time-off. All other non-exempt employees may accrue not more than two hundred forty (240) hours of compensatory time-off. When the thresholds specified in this subsection are reached, the non-exempt employee will receive a monetary payment of one-and-one-half (1-½) times the employee's regular rate of pay for each hour in excess of the limits specified in this subsection.
- (H) Employees wishing to use accrued compensatory time-off must make a written request to their immediate supervisor. Use of such time will be allowed within a reasonable period following the request as long as the use does not unduly disrupt the operations of the city. Additionally, in order to reduce the amount of accrued compensatory time-off, an employee who has not asked to use accrued compensatory time-off may, nonetheless, be required by his or her supervisor to use that accrued time at the convenience of the city.
- (I) Accrued compensatory time-off will be paid upon termination of employment and shall be calculated at the average regular rate of pay for the final three (3) years of employment, or the final regular rate received by the employee, whichever is higher.
- (J) Subject to the conditions specified in this subsection, an exempt employee may be granted bonus compensatory time-off or pay to the same extent that such a bonus would be granted to a non-exempt employee for work designated and approved as special duty assignment work by the management official with approval authority for the exempt employee's time sheet or time card. The receipt of bonus

compensatory time-off or pay by an exempt employee is subject to the following conditions:

- (a) The amount of compensatory time-off or pay shall be calculated on an hour-for-hour basis, not at the rate used for non-exempt employees of one-and-one-half (1-½) hour for each hour of special duty assignment.
- (b) As with non-exempt employees, exempt employees wishing to use accrued compensatory time-off must make a written request to their immediate supervisor. Use of such time will be allowed within a reasonable period following the request as long as the use does not unduly disrupt the operations of the city. Additionally, in order to reduce the amount of accrued compensatory time-off, an employee who has not asked to use accrued compensatory time-off may, nonetheless, be required by his or her supervisor to use that accrued time at the convenience of the city.
- (c) Exempt employees who have been allowed to accumulate compensatory time-off, rather than receiving contemporaneous payment for special duty assignment work, will not be paid for any portion of the accumulated compensatory time-off until the exempt employee terminates his or her employment with the city. The cap on the amount of approved compensatory time-off that may be accrued by an employee is wholly inapplicable to an exempt employee.
- (d) In the event an exempt employee separating from employment with the city is to receive a payment for some or all of the accumulated compensatory time-off, such terminal pay is to be calculated at the employee's final regular rate of pay. The terminal pay cannot include, and exempt employees are expressly prohibited from receiving, any payment that is based on compensatory time-off hours accumulated in excess of the number of hours that could have been accumulated by a non-exempt employee. The maximum number of hours that can be accumulated by the typical forty-hour exempt employee is two hundred forty (240) hours. An exempt employee in the police department or the fire department who qualifies for the Section 7k exemption can accumulate up to four hundred eighty (480) hours. When an exempt employee terminates his or her employment with the city, the balance of any accumulated compensatory time-off that has not been used by the employee prior to the separation from employment or included in the employee's terminal pay in strict accordance with the limits set within this subsection shall be deemed to be forfeited by the employee.

SECTION 10: PAYROLL DISCREPANCIES

As a term and condition of employment, an employee who believes he or she has detected a payroll error or discrepancy must **report the issue or concern** in writing to his or her supervisor **within two (2) business days** from receipt of the paycheck or receipt of the notice of the payment of wages via direct deposit that displays the alleged error or discrepancy. It is the policy of the city, in agreement with its employees, that the absence of such a report and acceptance of wages will confirm proper payment for all hours worked.

ARTICLE V: LEAVES OF ABSENCE

SECTION 1. HOLIDAYS

The city manager is authorized to grant the following holidays with pay to all full-time employees, based on one (1) regular work day per holiday."

New Year's Day
Martin Luther King, Jr. Day
Good Friday
Memorial Day
Independence Day
Labor Day
Thanksgiving - 2 days
Christmas - 3 days

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

If any of the above-listed holidays occur during a previously approved leave period (e.g. vacation leave, sick leave, the use of accrued compensatory time-off, or otherwise), the available holiday leave will be used to the maximum extent permitted by this section in lieu of any other leave time authorized by this manual. By way of illustration, when calculating the use of accrued leave time, if holiday leave time is available for use by an employee, such holiday leave time shall be used in compliance with this section, as soon as the holiday leave time becomes available for use, in lieu of any other accrued leave time such as compensatory time-off, vacation leave, or sick leave.

Due to the obligation of the city to provide municipal services on a 24-hour basis, some employees will be required to adhere to a city work schedule that prevents the use of holiday leave on the actual date of a city-recognized holiday. When the city work schedule prevents an employee from availing himself or herself of holiday leave on the actual date of a city-recognized holiday, such an employee may utilize, and the division/department head is to facilitate the employee's use of, the holiday leave time authorized by this section during a 60-calendar day window of opportunity that shall begin to run on the date of the holiday that is the basis of the accrual of the holiday leave time. If an employee fails, for any reason, to avail himself or herself of the holiday leave time privilege during the 60-calendar day window of opportunity, the holiday leave time accrued more than 60 days prior to the date of review shall be forfeited by the employee.

When any of the aforementioned holidays fall on a Saturday or a Sunday, the day(s) observed will be at the discretion of the city manager.

Notwithstanding any other provision in this section, the city manager may suspend any previously approved holiday leave when, in the discretion of the city manager, the city is confronting events or circumstances that require the utilization of extraordinary measures and operations by city forces in order to provide the level of service expected of the city.

This authority to suspend holiday leave shall not be construed as placing any employee "on-call." Unless an employee is subject to an on-call policy implemented in the regular course of business by a division or department of the city, the city manager's authority to suspend holiday leave does not require employees to remain on the city's premises or in close proximity to city facilities. Under this provision, an employee's obligation is to have accurate contact information on file with the human resources department so that he or she can be reached when not working and advised to return to work as soon as is practicable. This authority to suspend holiday leave is inapplicable to employees who are using holiday leave as part of an approved FMLA leave or during the 7-day waiting period prescribed by the North Carolina Workers' Compensation Act.

SECTION 2. VACATION LEAVE – BASIC ACCRUAL

Effective January 1, 2002, each full-time regular employee shall earn vacation leave on a monthly basis in accordance with the following schedule of continuous City of Asheboro service. Periods of 15 calendar days or less during one month shall not be counted, but a period of 16 days or more shall count as a whole month for purposes of calculating leave under this section.

Years of Service	40 Scheduled Hours Per Week Employees	OVER 40 Scheduled Hours Per Week Employees
Less than 5 years	8 hours	10 hours
5, but less than 10 years	10 hours	12 hours
10, but less than 20 years	12 hours	14 hours
20 or more years	14 hours	16 hours

SECTION 3. VACATION LEAVE – MAXIMUM ACCUMULATION

Vacation leave may be accumulated without any applicable maximum until December 31 of each calendar year. On December 31, any employee with more than 240 hours of accumulated leave shall have the excess accumulation converted to sick leave so that only 240 hours are carried forward to January 1 of the next calendar year.

SECTION 4. VACATION LEAVE – MANNER OF TAKING

Employees shall be granted the use of earned vacation leave upon request and at those times designated by their supervisor which will least obstruct normal operations of the division or department.

Notwithstanding any other provision in this section, the city manager may suspend any previously approved vacation leave when, in the discretion of the city manager, the city is confronting events or circumstances that require the utilization of extraordinary measures and operations by city forces in order to provide the level of service expected of the city. This authority to suspend vacation leave shall not be construed as placing any employee "on-call." Unless an employee is subject to an on-call policy implemented in the regular course of business by a division or department of the city, the city manager's authority to suspend vacation leave does not require employees to remain on the city's premises or in close proximity to city facilities. Under this provision, an employee's obligation is to have accurate contact information on file with the human

resources department so that he or she can be reached when not working and advised to return to work as soon as is practicable. This authority to suspend vacation leave is inapplicable to employees who are using vacation leave as part of an approved FMLA leave or during the 7-day waiting period prescribed by the North Carolina Workers' Compensation Act.

SECTION 5. VACATION LEAVE – TERMINAL PAY

Unused vacation leave time, up to an absolute maximum of 240 hours, shall be paid as terminal pay.

SECTION 6. VACATION LEAVE – DEATH PAYMENT

Upon the death of an employee, compensation for accumulated vacation leave, if any, shall be paid to the estate.

SECTION 7. SICK LEAVE - GENERALLY

Sick leave is a benefit granted to an employee for personal sickness, bodily injury, required physical or dental examinations or treatment, or exposure to a contagious disease when continuing to work might jeopardize the health of others.

Sick leave may be granted to an employee for illness to the employee's immediate family, which requires the care of the employee. For the purpose of this section immediate family shall be deemed to include spouse, parents, and children (including step and/or in-law -relationships).

Sick leave may be granted to an employee for death of a member of an employee's family (not to exceed 24 hours off for any one occurrence except by special permission from department head). For the purpose of this section family shall be deemed to include spouse, parents, children, brother, sister, grandparents and grandchildren. Also included are step, half and in-law relationships.

SECTION 8. SICK LEAVE – BASIC ACCRUAL

Each full-time regular employee shall earn sick leave at the rate of eight (8) hours for each month worked. Periods of fifteen (15) calendar days or less during one (1) month shall not be counted but sixteen (16) days or more shall be counted as a whole month for purposes of calculating leave under this section.

SECTION 9. SICK LEAVE - ACCUMULATION

Employees may accumulate unlimited sick leave.

SECTION 10. SICK LEAVE – PHYSICIAN'S CERTIFICATE

If an employee is out more than three (3) consecutive days he/she will be required to present a physician's certificate prior to his/her return to duty. Failure to produce a

required physician's certificate will result in the employee not being allowed to use sick leave. The employee may be allowed to use accrued compensatory time, vacation leave, and/ or leave without pay.

If a department head has reasonable cause to believe that an employee is abusing his/her sick leave privileges, the department head may, with the approval of the human resources director, request a physician's certificate for each occasion on which an employee chooses to use sick leave.

SECTION 11. SICK LEAVE – RETIREMENT CREDIT

Employees who are members of the North Carolina Local Governmental Employee's Retirement System may apply unused sick leave toward retirement credit in accordance with System guidelines. Employees should take note that the application of unused sick leave toward retirement credit is governed exclusively by the North Carolina Local Governmental Employee's Retirement System. Accordingly, any questions or concerns about this issue should be directed to the North Carolina Local Governmental Employee's Retirement System.

SECTION 12. SICK LEAVE - NOTIFICATION

The employee shall be required to call his/her supervisor no later than one half hour after the scheduled start of the workday to advise him/her when illness prevents his/her reporting to work.

If an employee is away from his/her job for two (2) consecutive days without notice, it shall be assumed that the employee has resigned.

Also, if a physician places any physical restrictions on an employee which will limit the employee's ability to successfully complete the assigned duties of their position, the employee must notify his/her supervisor about those restrictions. This notification must be made as soon as is practical, but not later than the time appointed for the employee to return to duty for their next scheduled work period. Upon receiving such notification, the employee's supervisor must relay this information up the chain of command in order to allow the city to lawfully and appropriately respond to the situation.

Employees shall notify their immediate supervisor when required to use prescription medication that they have been informed has the potential to impair job performance. The employee shall advise the supervisor of the known side effects of such medication and the prescribed period of use. The employee may be temporarily reassigned to other duties, where appropriate.

SECTION 13. SICK LEAVE – ADVANCEMENT

The City Council may, on the recommendation of the city manager, advance sick leave to an employee with five or more years of service who has exhausted his/her sick leave because of a major operation, illness or injury. No advancement can be made to an employee who has a warning concerning sick leave in his/her file. After the employee returns to work, advanced sick leave previously used shall be repaid at the rate of eight

(8) hours per month until such time the advanced leave is repaid in full. An employee who has received advanced sick leave and subsequently retires or terminates employment shall repay the city for the balance of the advanced sick leave at a rate of their hourly rate of pay at separation times the number of unpaid hours. In the event of death, liability to the city will cease to exist.

SECTION 14. SICK LEAVE - TERMINATION

All sick leave accumulated by an employee shall end and terminate when an employee resigns or is dismissed by the city. However, at the time of termination, an employee may request that an official record of their unused sick leave balances be made available to them. If a former employee fails to request an official record of their unused sick leave balances at the time of separation of employment, the former employee may file a request with the human resources department for an official record of unused sick leave that was accrued during an earlier term of employment. An official record of unused sick leave balances is not available for employees separated from the City of Asheboro prior to May 10, 2001.

SECTION 15. SICK LEAVE - TRANSFER

An individual who is employed by the City of Asheboro in a full-time position and who comes to the city from employment with another agency which participates in the Teachers' and State Employees' Retirement System of North Carolina or the North Carolina Local Governmental Employees' Retirement System may have his/her accrued sick leave transferred to the City of Asheboro under the following guidelines:

- 1) The employee bears the sole responsibility for requesting and obtaining certification of the prior sick leave balance from the former employer.
- 2) The employee's responsibility for obtaining certification of his/her accrued sick leave is not discharged until the employee receives from the Human resources department written acknowledgement of acceptance of the former employers' certification of the amount of accrued sick leave.
- 3) The employee will be credited with his/her certified prior sick leave balance after 1 month's service with the City of Asheboro. Except as provided below in subsection 4, employees rehired by the City of Asheboro will be credited with their prior sick leave balance using the same guidelines as specified above.
- 4) Employees rehired will not be given credit for sick leave earned with the city, if the employee separated during the initial probationary period of employment.

SECTION 16. FAMILY AND MEDICAL LEAVE ACT

The Family and Medical Leave Act (FMLA) requires employers to grant eligible employees a total of twelve (12) workweeks, or up to twenty-six (26) weeks in the case of military caregiver leave, of job-protected, unpaid leave during any 12-month period for one or more of the following reasons:

- 1) The birth of a child of the employee and in order to care for the child;
- 2) The placement of a child with the employee for adoption or foster care;
- 3) Taking care of the employee's spouse, child, or parent who has a serious health condition;
- 4) A serious health condition of the employee that makes the employee unable to perform the functions of the employee's position;
- 5) A qualifying military exigency when the employee's spouse, son, daughter, or parent who is a covered military member of the National Guard or Reserve is on active duty or called to active duty in support of a contingency operation; and
- 6) To care for a covered service member (a member of the armed services including the Guard and Reserve) if the eligible employee is the spouse, son, daughter, parent, or next of kin, where the service member has a serious illness or injury incurred in the line of active duty that renders the service member unable to perform the duties of his or her office, grade, rank, or rating.

An employee is eligible for FMLA leave if both of the following conditions are met:

- 1) The employee has worked for the City of Asheboro for at least 12 consecutive months; and
- 2) The employee has worked at least 1,250 hours for the City of Asheboro during the 12-month period immediately preceding the beginning of the FMLA leave. Pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA), a break in service due to the employee's fulfillment of Guard or Reserve obligations may count toward the 12-month and 1,250-hour requirement.

To the full extent permitted by the FMLA, the city reserves the right to designate as FMLA leave any approved paid or unpaid leave used by an eligible employee for a qualifying FMLA purpose. All accrued compensatory time and accrued paid leave (e.g. vacation, sick, and holiday leave) shall be substituted for unpaid FMLA leave. Article VI, Section 8 in this manual prescribes the manner in which FMLA leave interacts with workers' compensation leave.

The City of Asheboro will maintain any employer-paid health benefits while the employee is on FMLA leave.

The FMLA leave year shall be a rolling twelve (12) – month period measured forward from the date the employee first takes FMLA leave after completion of any previous FMLA year.

Permanent employees approved for leave of absence retain their permanent status upon return from the authorized leave.

Benefits under the Family and Medical Leave Act are available to eligible employees requesting Family Medical Leave. When the need for FMLA Leave arises, the employee should complete an FMLA Form (available in human resources) in a timely manner. Whether or not the employee elects to use paid or unpaid leave, the time counted toward the FMLA Leave Year will begin on the date designated by the employee or the date designated by the Human resources department after consultation with the employee. When the need to use FMLA leave is foreseeable, the employee should

provide the human resources department with not less than 30 days' notice, before the date the leave is to begin, of the employee's intention to take leave.

The City of Asheboro is committed to fully implementing the FMLA. All questions of interpretation that arise with regard to the provisions found in the City of Asheboro Employee Policies and Procedures Manual shall be resolved in a manner that is consistent with this goal of full implementation. If a conflict is discovered between a provision in the City of Asheboro Employee Policies and Procedures Manual and the FMLA, the offending provision shall be deemed to be void and severed from the remaining provisions of the manual that are compliant with the FMLA.

SECTION 17. VOLUNTARY SHARED LEAVE

The purpose of voluntary shared leave is to provide economic relief for full-time employees who are likely to suffer financial hardship because of a prolonged absence.

Eligibility: Only full-time employees who have exhausted all accumulated leave are eligible to receive donated leave.

Qualifying to receive leave: In order to receive voluntary shared leave, an employee must have complied with existing leave rules and:

- Have a prolonged medical condition; or have an immediate family member (spouse, child or parent) whose medical care will require the employee's absence for a prolonged period of time;
- Apply to become a recipient of a specified amount of leave time;
- Produce medical evidence to support the need for the requested amount of leave time beyond the available accumulated leave, and;
- Be approved by the city manager to participate in the program.

Application: An employee who, due to a serious medical condition of self or of his/her immediate family, faces prolonged or frequent absences from work may apply for donated leave by completing a "Voluntary Shared Leave Application" and submitting it to the human resources director. Application may also be made by someone acting on the employee's behalf if the employee is unable to make application. The application must include a doctor's statement.

Donation: Any eligible employee in the city may donate vacation leave to any approved employee. In order to donate leave an employee must complete a "Voluntary Shared Leave Authorization of Donation of Leave" and submit it to the human resources director.

Restrictions on Donation of Leave:

- 1) All leave donations must be to a designated employee approved by the city manager for receipt of donated leave.
- 2) All donations must be in writing and signed by the donating employee. The employee to receive the donation of leave shall be named and the amount of vacation leave donated shall be specified.
- 3) Any eligible employee may donate vacation leave to any approved employee.

- 4) A donating employee may not donate more vacation leave than he/she could earn in one year. Additionally, the amount donated must not reduce the donor's vacation leave balance below one-half of what that person can earn in the year.
- 5) For the purposes of voluntary shared leave, all leave donated will be credited to the recipient's sick leave account.
- 6) The minimum amount of leave donated is 4 hours.

Use of Donated Leave:

- 1) All donated leave must be used in 4-hour increments.
- 2) Holidays occurring while the employee is using donated leave will be paid. Vacation and sick leave will continue to be earned by the employee while he/she is using donated leave. Available earned leave accrued during this period must be used by the employee prior to continued use of any voluntary shared leave.

Unused Leave: At the expiration of the period approved for voluntary shared leave as determined by the city manager, the recipient's sick leave account balance shall not exceed a total of 40 hours. Donated leave time in excess of the time allowed by this policy shall be returned to the appropriate donor(s) vacation leave account(s). In calculating the return of donated leave, priority shall be given to the most recent donor(s) in reverse chronological order.

If a recipient separates due to resignation, death, or retirement from local government, participation in the program ends. Unused leave shall be returned to the appropriate donor(s) vacation leave account(s) with priority being given to the most recent donor(s) in reverse chronological order.

Required Process:

- 1) Requests to participate in the Voluntary Shared Leave Program shall be submitted to the human resources director. Each request must then be approved the city manager.
- 2) The human resources director shall give written acknowledgement to both recipient and the donor(s) of his/her request to participate in the program.
- 3) A doctor's statement regarding the medical condition of the recipient, or family member of the recipient, must be submitted to the human resources director before action can be taken on a request for shared leave.

Limitation on Leave Amounts: The amount of leave donated to an employee may not exceed the amount of leave requested. Donated leave will be taken in the order received by the human resources director.

SECTION 18. BEREAVEMENT LEAVE

When a death occurs in an employee's immediate family, an employee shall be granted up to 24 consecutive work hours of bereavement leave. Bereavement leave shall be capped at no more than 48 hours per calendar year.

When a death occurs, the employee is to contact his or her supervisor as soon as possible, but no later than the next business day following the death, to arrange the necessary time-off. Bereavement leave will not be considered as time actually worked for purposes of calculating overtime pay or the accrual of compensatory time-off.

The city may request supporting documentation (obituary, death certificate, etc.) to support the request for bereavement leave.

For the purpose of interpreting this section, the term "immediate family" shall be deemed to include spouse, mother, father, guardian, children, sister, brother, grandparents, grandchildren, plus the various combinations of half, step, in-law, and adopted relationships that can be derived from those named.

SECTION 19. MILITARY LEAVE

An employee who is a member of the National Guard or the Armed Forces Reserve will be allowed ten (10) working days of military training leave annually, with partial compensation. If the compensation received while on military leaves is less than the salary that would have been earned during the same period as an active employee, the employee shall receive partial compensation equal to the difference between the base salary earned as a reservist and the salary that would have been earned during this same period as a city employee. The effect will be to maintain the employee's salary at the normal level during this period of ten (10) working days. If such military duty is required beyond this period of ten (10) working days, the employee shall be eligible to take accumulated annual leave or be placed on leave-without pay status.

While on military leave with partial pay or without pay, the employee's leave credits and other benefits shall continue to accrue as if the employee remained with the city during this period. Employees who are reservists have all applicable job rights specified in the Veterans Readjustment Assistance Act.

Notwithstanding the above stated provisions, all compensation and benefits authorized by this section shall be paid or accrued in strict accordance with applicable laws and regulations, specifically including without limitation, Internal Revenue Service regulations.

SECTION 20. CIVIL LEAVE

A full-time employee called for jury duty shall receive leave with pay for each day during the required absence without charge to accrued compensatory time or accrued paid leave. An employee may keep fees received for jury duty in addition to regular compensation.

SECTION 21. LEAVE FOR PARENTAL/GUARDIAN INVOLVEMENT IN SCHOOLS

North Carolina law requires employers to grant up to 4 hours per calendar year (not school year) of unpaid leave to any person who is a parent or guardian of a school-aged child so that they can become involved in school activities. The term "school" shall mean any public or private day school, preschool, or child care facility. Leave under this section is subject to the following conditions:

- 1) The leave must be scheduled for a time that is mutually agreeable to the division/department head and the employee;

- 2) The employee must make a written request at least 48 hours before the leave begins; and
- 3) The employee may be required to provide written verification from the child's school that the employee attended or was involved in school activities during the time of the leave.

SECTION 22. ADVERSE WEATHER AND EMERGENCY CLOSINGS

- (A) The purpose of this section is to establish guidelines for accounting for time and releasing employees from work:
 - (1) When adverse weather or some other condition of a serious nature prohibits some employees from reporting to work but does not necessitate the closing of city offices/facilities; and
 - (2) When emergency conditions necessitate the closing of city offices/facilities.
- (B) For the purpose of implementing this section, the phrases listed below shall be defined as follows:
 - (1) The term "*adverse weather or other conditions of a serious nature*" means physically severe weather or other conditions of a serious nature that prohibit some employees from reporting to work but do not necessitate the closing of city offices/facilities;
 - (2) The term "*emergency closing conditions*" means conditions that are hazardous to life and safety and that warrant the closing of one or more city offices/facilities. Conditions that may be hazardous to life or safety and that warrant closing city offices/facilities include the following: life threatening weather (e.g. snow, ice, hurricane conditions, tornado, flood, or other natural disaster), fire, equipment failure, disruption of power and/or water service, contamination by hazardous agents, criminal or terrorist acts, or forced evacuations from the work site. When hazardous conditions are present and city offices/facilities are closed, each notice of such a closure shall state the duration of the office/facility closure triggered by the emergency closing conditions described in the notice; and
 - (3) The term "*emergency employee*" means an employee who is required to work during an emergency because his or her position has been designated by the city as mandatory/essential to city operations during an emergency.
- (C) City offices/facilities shall be open during normally scheduled operating hours unless and until a specific decision has been made by the city manager or his designee to close one or more city offices/facilities because of the existence of emergency closing conditions.
- (D) Regardless of the existence of adverse weather, other conditions of a serious nature, or emergency closing conditions, some city operations must continue to provide services. Therefore, division/department heads, in consultation with the

human resources director, shall predetermine and designate the mandatory/essential operations that will remain open when one or any combination of the hazardous conditions referenced above is present and shall also designate the emergency employees that will staff these operations. The city manager shall make the final decision as to which operations are designated as mandatory/essential and as to which job positions are designated as those of emergency employees.

- (E) Division/department heads, in consultation with the human resources director, shall develop written procedures for the implementation of this section. These procedures shall be consistent with this section and shall include, at a minimum, the following topics:
 - (1) The methodology to be used to advise employees of office/facility closures;
 - (2) The designation and notification of employees deemed to be emergency employees;
 - (3) The methodology for notifying emergency employees of their schedules during emergency closing conditions;
 - (4) A clear and unequivocal explanation that general closing announcements for city offices/facilities do not apply to emergency employees unless specific instructions to the contrary are transmitted to the emergency employees in accordance with the communication procedures adopted by the division/department; and
 - (5) For each division/department, employees will be informed whether, and under what conditions, the operational needs of the division/department allow management the opportunity to arrange schedules so as to give employees who are not emergency employees the opportunity to make up time not worked rather than charging the time not worked to accrued leave or entering leave without pay status.
- (F) An emergency employee's failure to report to work can result in disciplinary action and/or requiring the hours missed to be charged to leave with or without pay, as appropriate.
- (G) This division addresses the issue of accounting for time during adverse weather or other conditions of a serious nature.
 - (1) It is the responsibility of employees to make a good faith effort to come to work during times that adverse weather or other conditions of a serious nature exist.
 - (2) Employees who have not been designated as emergency employees and who anticipate problems in transportation should be permitted and encouraged to avail themselves of leave privileges when encountering difficulty in reporting for work or when leaving early.

- (3) To cover absences from assigned work sites during adverse weather or other conditions of a serious nature, employees who have not been designated as emergency employees are permitted to elect to use, to the extent that a particular employee may have accrued one or more of the types of leave listed below, one of the following options:
 - (a) To use accrued holiday leave time;
 - (b) To use accrued compensatory time-off leave;
 - (c) To use vacation leave;
 - (d) Take leave without pay; or
 - (e) If the option is available within the employee's division/department, make up the time in accordance with the written guidelines adopted by the employee's division/department. If a division/department has not adopted such guidelines, the option of making up time is not available to the employee.
 - (4) Employees who are on prearranged holiday leave, vacation leave, or sick leave will charge leave to the preapproved category of leave regardless of the event involving adverse weather or any other condition of a serious nature.
- (H) When emergency closing conditions are not a city-wide event and the operational needs of the division/department permit this action, the city manager, in his or her sole discretion, may authorize division/department heads to temporarily reassign employees within their divisions/departments to alternate work sites for the duration of the emergency closing conditions.
- (I) When the emergency closing conditions are a city-wide event and the operational needs of the division/department will allow the opportunity for work to be productively conducted at home, the city manager, in his or her sole discretion, may authorize division/department heads to approve the conduct of compensable city work from home by designated employees for a limited duration of time that is not permitted to exceed the duration of the emergency closing conditions.
- (J) This division addresses the issue of accounting for time during emergency closing conditions when employees are not assigned to alternate work sites or allowed to work from home.
- (1) In the absence of either a designation as an emergency employee or an assignment to work from an alternate site/home, the employee will not be required to charge the time away from work to any of the employee's accrued leave balances.
 - (2) An emergency employee required to work during the time period specified in the notice of the closure of city offices/facilities shall be granted compensatory time-off for the employee's work during the emergency closing conditions (for the purpose of payroll administration, this work shall be deemed

to be a special duty assignment); provided, however, the accrual of compensatory time-off pursuant to this section shall be calculated on an hour-for-hour basis, not 1.5 hours for every hour worked, for all hours actually worked during the time period specified in the closure notice authorized by the city manager. Consistent with the city's desire to effectively manage and limit the accrual of unused compensatory time-off, this accrued time is to be used before any vacation or sick leave is used.

- (3) If additional employees who were not initially designated as emergency employees are needed for situations such as clean-up and recovery operations during the effective date(s) and time(s) of an emergency closure notice, the city manager may elect to compensate such employees in the same manner as employees who were designated emergency employees in advance of the emergency closing conditions.
 - (4) Employees who are on prearranged holiday leave, vacation leave, or sick leave will charge leave to the preapproved category of leave regardless of the existence of emergency closing conditions.
- (K) Notwithstanding any other provision found herein, this section shall not be interpreted and/or implemented in a manner that creates any violation of or nonconformity with the applicable federal and state wage and hour laws, specifically including without limitation the Fair Labor Standards Act (FLSA). By way of illustration and not limitation, nothing in this section shall be construed in a manner that prevents a non-exempt employee from receiving compensatory time-off at the rate of 1.5 hours for every hour worked over 40 hours in a 7-day workweek. Similarly, no deductions shall be made from an exempt employee's pay that would call into question the employee's status as an exempt employee.

SECTION 23. LEAVE WITHOUT PAY

If an employee is ineligible to request leave on the basis of any other provision in the City of Asheboro Employee Policies and Procedures Manual, the employee, with the recommendation of his or her division/department head may be granted a leave of absence without pay for up to one year by the city manager. The decision as to whether to grant the requested leave shall be at the sole discretion of the city manager.

An employee ceases to earn leave credits, including holiday leave, on the date the authorized leave period begins. The employee will continue to be provided with group hospitalization and life insurance, at no cost, for a period not to exceed 6 months. After this 6-month period expires, group insurance shall be made available to the employee and his or her dependents on a participating basis for the duration of the authorized leave period.

SECTION 24. WORKERS' COMPENSATION LEAVE

The City of Asheboro is subject to the North Carolina Workers' Compensation Act. The availability and the terms and conditions of Workers' Compensation Leave are discussed in Section 8 of ARTICLE IV (PAYROLL ADMINISTRATION) of this Manual.

SECTION 25. UNAUTHORIZED LEAVE

If an employee is absent from work without department head approval or if he/she has exhausted all accrued time and are not on any approved leave, this may be deemed unauthorized leave and disciplinary action may be taken.

ARTICLE VI: BENEFITS

SECTION 1. PURPOSE

The city recognizes the need to provide certain fringe benefits to city employees in order to recruit and maintain qualified employees and as an incentive for seeking employment with the city.

SECTION 2. ELIGIBILITY

All full-time employees of the city and others as specifically provided herein shall be eligible for employee's benefits as provided for in this Article.

SECTION 3. GROUP HEALTH AND HOSPITALIZATION INSURANCE

(A) For the limited and sole purpose of interpreting and implementing the group health and hospitalization insurance benefits described in this section of Article VI, the following definitions and rules of interpretation shall be applicable exclusively to Article VI, Section 3 of the City of Asheboro Employee Policies and Procedures Manual (hereinafter referred to as the "Manual"):

- 1) The term "Part-Time Employee (Extended Hours)" means an employee who is reasonably expected by the city to average working twenty-six (26) or more hours per week.
- 2) The term "Part-Time Employee (Variable/Seasonal Hours)" means an employee who is reasonably expected by the city to average working less than twenty-six (26) or more hours per week during the designated measurement period. This term includes an employee for whom, based on the facts and circumstances known at the time of the employee's hire date, the relevant division/department head has made the determination that, even though the employee is expected to average working more than twenty-six (26) or more hours per week for a limited duration of time, it cannot be determined that the employee is reasonably expected to work, on average, at least twenty-six (26) or more hours per week over the course of the designated measurement period.
- 3) Aside from elected officials, when evaluating an employee's eligibility for group health and hospitalization insurance benefits, all employees shall be categorized as either a full-time, part-time (extended hours), or part-time (variable/seasonal hours) employee.
- 4) The term "Part-Time Employee (Variable/Seasonal Hours)" shall include the "Seasonal Recreational Employees" described in Article II, Section 4 of the Manual.
- 5) In contrast to the above-stated definitions, the term "Full-Time Employee" shall have the same meaning as stated for the term in Article II, Section 2 of the Manual.

- 6) The term "Ongoing Employee" shall mean any city employee, exclusive of elected officials, who has been employed by the city for at least one (1) complete Standard Measurement Period.
 - 7) The term "Standard Measurement Period" means the 12-month period of time extending from April the 15th of a calendar year to April the 14th of the following calendar year.
 - 8) The term "Administrative Period for an Ongoing Employee" means the 76-day period of time extending from April the 15th of a calendar year to June the 30th of the same calendar year.
 - 9) The term "Stability Period for an Ongoing Employee" means a 12-month period of time extending from July the 1st of a calendar year to June the 30th of the following calendar year. This Stability Period for an Ongoing Employee matches the city's fiscal year and the plan year for the city's group health and hospitalization insurance.
 - 10) The term "Initial Measurement Period for a New Employee" means a 12-month period of time that is measured from the new employee's hire date.
 - 11) The term "Administrative Period for a New Employee" means the period of time utilized by the city to perform the calculations and administrative tasks needed to determine if a new employee is eligible, on the basis of the hours worked during the above-referenced initial measurement period, for coverage under the city's group health and hospitalization insurance. This time period shall extend from the end of the Initial Measurement Period for a New Employee to the end of the first full calendar month immediately following the end of the said initial measurement period.
 - 12) The term "Corresponding Stability Period" means the 12-month period of time that immediately follows the Administrative Period for a New Employee.
- (B) Any Full-Time Employee, Part-Time Employee (Extended Hours), and elected official will be provided group health and hospitalization insurance at no cost. This group insurance shall be made available to employees' dependents on a participating basis. Eligibility for group health and hospitalization insurance will be effective the first day of the month following one full month of employment or the taking of office.
- (C) Part-Time Employee (Variable/Seasonal Hours) will not be eligible for any group health and hospitalization insurance benefits unless, after utilizing the following evaluation periods and methodologies, the employee is found to have worked an average of twenty-six (26) or more hours per week during the relevant measurement period. If a Part-Time Employee (Variable/Seasonal Hours) is found to have worked an average of twenty-six (26) or more hours per week during the relevant measurement period, such an employee will be eligible, during the entire duration of the stability period that follows the relevant measurement period, for the same group health and hospitalization insurance benefits provided to a Full-Time

Employee or a Part-Time Employee (Extended Hours). The on-going evaluations of a Part-Time Employee (Variable/Seasonal Hours) in terms of eligibility for group health and hospitalization insurance benefits will be conducted as follows:

- 1) In the case of an Ongoing Employee who is not already eligible for the group health and hospitalization insurance benefit as a Full-Time Employee or a Part-Time Employee (Extended Hours), the city shall use the above-defined Standard Measurement Period as a look-back period prior to the beginning of the city's next plan year and associated open enrollment period in order to determine if any employee not currently eligible for the group health and hospitalization insurance benefit is now eligible for the benefit because of working an average of twenty-six (26) or more hours per week during the Standard Measurement Period. During the Administrative Period for Ongoing Employees, which runs from April the 15th to June the 30th of each year and overlaps with the open enrollment period for insurance, each Part-Time Employee (Variable/Seasonal Hours) will be evaluated in order to determine if the employee worked an average of twenty-six (26) or more hours per week over the course of the immediately preceding Standard Measurement Period. If the employee did average working twenty-six (26) or more hours per week during this look-back period, the unreduced group health and hospitalization insurance benefit will be offered to the employee for the entirety of the ensuing plan year (July 1 to June 30) that matches the 12-month Stability Period for an Ongoing Employee. The group health and hospitalization insurance benefit will not be offered to employees who did not average working twenty-six (26) or more hours per week during the prior measurement or look-back period.
- 2) A supplemental measurement or look-back period will be utilized for a newly hired Part-Time Employee (Variable/Seasonal Hours) in order to ensure that an otherwise eligible employee does not go too long without coverage if he or she is otherwise eligible for the group health and hospitalization insurance benefit and has not been evaluated under the Standard Measurement Period after twelve (12) months of beginning work because of the date on which the employee was hired. When such an employee is initially hired, he or she will not be eligible for the group health and hospitalization insurance benefit. The city will apply, on the employee's hire date, a 12-month Initial Measurement Period for a New Employee as a look-back period for a new employee whose status is unclear in terms of the number of hours that will be worked per week over the course of the adopted measurement period. At the conclusion of the initial 12-month measurement period, the city will utilize the Administrative Period for a New Employee in order to evaluate whether an average of twenty-six (26) or more hours per week were worked by the new employee over the course of the immediately preceding Initial Measurement Period for a New Employee. If the employee did average working twenty-six (26) or more hours per week during this initial look-back period, the unreduced group health and hospitalization insurance benefit will be offered to the employee for the entirety of the following 12-month Corresponding Stability Period. The group health and hospitalization insurance benefit will not be offered to employees who did not average working twenty-six (26) or more hours per week during the prior measurement or look-back period. As a matter of clarification, the following illustration and a separate interpretative provision are offered:

- (a) Example of the Application of the Preceding Measurement, Administrative, and Stability Periods for a New Employee: If an employee is hired on May 15, 2014, the Initial Measurement Period for a New Employee will run from May 15, 2014, to May 14, 2015. In this case, the Administrative Period for a New Employee would run from May 15, 2015, to June 30, 2015, and the Corresponding Stability Period would run from July 1, 2015, to June 30, 2016.
 - (b) In the example above, any subsequent coverage would be determined on the basis of the provisions established earlier in this Section for the evaluation of an Ongoing Employee. As soon as the new employee has worked long enough to be evaluated on the basis of the Standard Measurement Period, regardless of whether the employee is still within the previously calculated Corresponding Stability Period, a determination shall be made by utilizing the Standard Measurement Period, Administrative Period for an Ongoing Employee, and the Stability Period for an Ongoing Employee as to whether the employee is eligible for the group health and hospitalization insurance benefit under these criteria. Any such supplemental evaluation shall operate to the advantage of an employee and shall not serve to reduce an employee's eligibility for the group health and hospitalization insurance benefit under a previously calculated stability period.
- (D) Other insurance programs which will serve the needs of the employees of the city may be offered through payroll deductions.
- (E) Information concerning the cost and benefits of the insurance program shall be available to all employees through the human resources department. Booklets explaining the program will be available to all employees.

SECTION 4. GROUP HEALTH AND HOSPITALIZATION INSURANCE FOR RETIRING EMPLOYEES

Employees who retire under the North Carolina Local Government Employee Retirement System may be entitled to a continuation of Group Health and Hospitalization Insurance at the city's expense under the following circumstances:

- 1) 30 years of service with the North Carolina Local Governmental Employees' Retirement System and 15 years continuous service with the City of Asheboro.
- 2) Any other qualification for retirement with the North Carolina Local Governmental Employees' Retirement System and 20 years of service with the City of Asheboro.
- 3) An employee who qualifies for disability retirement with the North Carolina Local Governmental Employees' Retirement System.

The city will provide this coverage for the retiree only until the retiree reaches age 65. If at any time prior to age 65, a covered retiree and/or covered dependent becomes eligible for Medicare, he/she must change his/her medical coverage to the Medicare Supplement Plan if coverage is to continue with the City of Asheboro. If applicable the dependent(s) shall be offered coverage under the COBRA plan.

Retirees not qualifying for health insurance coverage paid for by the City of Asheboro may elect to continue this coverage for themselves and their dependents at their own expense, until the retiree reaches age 65. If at any time prior to age 65, a covered retiree and/or dependent becomes eligible for Medicare, he/she must change his/her medical coverage to the Medicare Supplement Plan if coverage is to continue with the City of Asheboro.

All individuals retiring prior to the effective date of this policy (May 6, 1999) shall not be affected by these guidelines. Benefits bestowed upon those individuals will remain in effect as stated in the Employee Policy which was in effect at the time of their retirement.

Other group benefits may be available to retiring employees at their expense under provisions provided by the group benefits package.

SECTION 5. NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM

Each full-time employee shall be required to join the Local Governmental Employees' Retirement System (LGERS) as a condition of employment, effective on the date of employment. While no waiting period is established for joining the Local Governmental Employees' Retirement System, this section does not and shall not be construed in any manner to impair or impact to any degree the conditions of probationary employment found in this manual.

SECTION 6. SPECIAL SEPARATION ALLOWANCE FOR LAW ENFORCEMENT OFFICERS

In accordance with N.C. Gen. Stat. § 143-166.42, all eligible sworn law enforcement officers employed by the City of Asheboro shall receive, beginning on the last day of the month in which he/she retires on a basic service retirement, an annual separation allowance. The retiring officer's initial eligibility for the special separation allowance and the formula to be used in calculating the amount of the allowance shall be determined by city staff members in the finance and human resources departments in strict compliance with the statutory provisions found in N.C. Gen. Stat. § 143-166.41(a),(b).

Payment to a retired officer under the provisions of this section shall cease at the first of:

- 1) The death of the officer;
- 2) The last day of the month in which the officer attains 62 years of age; or
- 3) The first day of reemployment by a local government employer in any capacity; provided, however, that a local government employer may employ retired officers in a public safety position in a capacity not requiring participation in the Local Governmental Employees' Retirement System, and doing so shall not cause payment to cease to those officers under the provisions of this section.

If a retired officer's receipt of the special separation allowance is terminated because of the individual's reemployment with a local government employer in a position or capacity that triggers a cessation of payments under the provisions of the immediately

preceding subsection, payment of the special separation allowance cannot be resumed at a later date.

SECTION 7. GROUP LIFE INSURANCE

The City will provide group life insurance for each full-time employee and elected officials based on positions. Employee may elect to insure other members of their family under this plan at their expense.

SECTION 8. YEAR OF SERVICE

Each regular full-time employee shall earn a 1 step increase in salary upon completing 5 years of service, 10 years of service, 15 years of service, 20 years and 25 years of service with the City of Asheboro. These increases shall be effective upon each employee's anniversary date during the year in which the qualifying event occurs.

SECTION 9. EMPLOYEE ASSISTANCE PROGRAM

The city has an Employee Assistance Program (EAP) to help employees resolve a wide range of personal problems that have a negative effect on their job performance. This confidential counseling service is available to employees and their family members. City employees are encouraged to use the EAP when they are experiencing problems that impact their ability to be productive at work. Employees may choose to go to the EAP on their own, or they may be encouraged to use the EAP by their supervisor. Referral to or participation in the EAP Program does not pre-empt the utilization of any other provision of the City of Asheboro Employee Policies and Procedures Manual.

The city will not have access to EAP records without written permission from the employee. All individual rights to confidentiality will be assured in the same manner as any other health records. Using the EAP services will not jeopardize an employee's employment status or promotion possibilities. With approval of the supervisor, employees may use accrued leave for a scheduled EAP appointment. The initial EAP visits are provided to the employee without charge. After the initial visits, the EAP may recommend additional assistance, the cost of which will be the responsibility of the employee. These costs may be covered by medical insurance or available through a community-funded or self-help organization.

Notwithstanding any provision to the contrary, the Employee Assistance Program shall be deemed to be supplemental to the city's Policy on Substance Abuse that is found in this manual as a condition of employment in Article VII. If a conflict arises between the provisions found in the description of the Employee Assistance Program and the adopted Policy on Substance Abuse, the provisions found in Article VII of this manual shall be the controlling authority.

ARTICLE VII: GENERAL WORKPLACE POLICIES/CONDITIONS OF EMPLOYMENT

SECTION 1: GIFTS AND FAVORS

No official or employee of the city shall accept any valuable gift whether in the form of service, loan, thing, or promise from any person who, to their knowledge, is interested directly or indirectly in any manner whatsoever in doing business with the city which may tend to influence the discharge of duties, or grant any improper favor, service, or thing of value in the performance of their duties.

SECTION 2: OUTSIDE AND DUAL EMPLOYMENT

The work of the city shall have precedence over other occupational interests of employees. All outside employment for salary, wages, or commissions and all self-employment must be reported to the employee's department head. Outside employment is subject to review by the city manager to determine whether or not such employment is in conflict with the interest of the city. Continuation of conflicting outside employment may be grounds for disciplinary action, up to and including dismissal.

Part-time employees of the city may hold another part-time position with the city with the approval of the city manager.

SECTION 3: POLITICAL ACTIVITY RESTRICTED

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 United States of America. However, no employee shall (1) engage in any political or partisan activity while on duty; (2) use official authority or influence for the purpose of interfering with or affecting the result of an election or a nomination for office; (3) be required as a duty of employment or as a condition for employment, promotion, or tenure of office to contribute funds for political or partisan purposes; (4) coerce or compel contributions for political or partisan purposes by another employee of the city, or (5) use any supplies or equipment of the city for political or partisan purposes.

SECTION 4. VEHICLES OWNED BY THE CITY

Any employee required as part of the essential functions of his or her job to be able to operate a city-owned vehicle must possess a valid driver's license. Use of a city-owned vehicle by an employee is neither a right nor a privilege but a trust conferred to facilitate necessary performance of duties. City-owned vehicles shall be assigned and used only in the performance of official duty and not for any personal use.

SECTION 5. TELEPHONE AND ADDRESS

All city employees must provide and maintain up-to-date, valid telephone numbers and addresses on file in the human resources department and with their supervisor. All department heads shall have listed telephone numbers. Exceptions in unusual circumstances may be granted by the city manager.

SECTION 6. SUBSTANCE ABUSE POLICY

The following rules represent the City of Asheboro's policy concerning substance abuse. They will be enforced uniformly for all employees. The purposes of the policy are to:

- 1) establish and maintain a safe, healthy working environment for all employees;
- 2) comply with State and Federal Department of Transportation regulations in regards to holders of a Commercial Drivers License (CDL);
- 3) provide a drug-free workplace for the City of Asheboro;
- 4) ensure the reputation of The City of Asheboro and its employees within the community;
- 5) reduce accidental injuries, absenteeism, tardiness, and other work-related problems; and
- 6) provide the opportunity for rehabilitation assistance to employees who seek such help.

Employees with substance abuse problems are encouraged to seek help from counselors, from other types of medical professionals, or in treatment facilities. Participation in a treatment or rehabilitation program for substance abuse will not be grounds for dismissal provided the employee voluntarily enters such a program prior to being identified as a substance abuser by means identified in this policy.

(A) Definitions

- 1) Alcohol Test: A test for the presence of alcohol in the body. This presence must be determined by the use of a Breath Alcohol Test or other device approved by United States Department of Transportation.
- 2) Drug Test: A test for the presence of the following drugs and/or drug metabolite(s) in the urine or blood of an employee:
 - (a) Amphetamines (including Methamphetamine)
 - (b) Cannabinoids (Marijuana)
 - (c) Cocaine (including Crack)
 - (d) Opiates
 - (e) Phencyclidine (PCP)

- (f) Other drugs may also be included as directed by Federal law or expanded city policy.
- 3) Negative Drug Test: A drug test which does not show the presence of drugs and/or drug metabolite(s) at a level specified to be a positive test.
- 4) Positive Drug Test: A drug test which does indicate the presence of a drug and/or drug metabolite(s) in the urine or blood at the level specified to be positive by the Substance Abuse and Mental Health Services Administration (SAMHSA). All positive test results will be confirmed using a different technology than the first test, such as the Gas Chromatography Mass Spectrometry (GCMS) process.
- 5) Negative Alcohol Test: An alcohol test which indicates a breath alcohol concentration of less than 0.02.
- 6) Positive Alcohol Test: An alcohol test which indicates a breath alcohol concentration of 0.04 or greater.
- 7) Refusal to Submit: Occurs when an employee:
 - (a) Fails to provide an adequate amount of urine for a drug test without a valid medical explanation after he/she has received notice of the test.
 - (b) Fails to provide an adequate amount of breath for an alcohol test without a valid medical explanation after he/she has received notice of the test.
 - (c) Engages in conduct that clearly indicates that he/she is failing to follow through with the testing process or conduct that interferes with the ability to obtain an adequate specimen.
- 8) Employees Required to Have Commercial Driver's License (CDL):
 - (a) Drivers of commercial motor vehicles with a gross vehicle weight rating of 26,001 pounds or more.
 - (b) Drivers of commercial motor vehicles with a gross combination weight rating of 26,001 pounds or more, including a towed vehicle with a gross vehicle weight rating of 10,000 pounds or more.
 - (c) Drivers of motor vehicles designed to transport 16 or more passengers, including the driver.
 - (d) Drivers of motor vehicles of any size transporting hazardous materials in amounts that require placarding.
 - (e) NOTE: Fire department employees who operate emergency equipment are exempt from the CDL requirement.
- 9) Safety-Sensitive Function: The following activities constitute safety-sensitive functions as defined by the United States Department of Transportation (this list is not meant to

be an exhaustive/exclusive list and other job activities/requirements may also be considered safety sensitive):

- (a) Driving a commercial motor vehicle.
- (b) Inspecting, servicing, or conditioning any commercial motor vehicle.
- (c) All time at a city facility or other public property waiting to operate a commercial motor vehicle.
- (d) Performing all other functions in or upon any commercial vehicle except resting in a sleeper berth.
- (e) Loading or unloading a vehicle, supervising or assisting in the loading or unloading of a vehicle, attending a vehicle being loaded or unloaded, or remaining in readiness to operate the vehicle.
- (f) All time spent performing the driver requirements associated with an accident.
- (g) Repairing, obtaining assistance, or remaining in attendance of a disabled commercial motor vehicle.

(B) Policy

- 1) **Employees Who Are Subject to this Policy.** This policy covers all full-time employees, part-time employees, temporary employees, seasonal employees, employees who are required as part of their job to obtain and maintain a Commercial Driver's License (CDL), and applicants for employment with the City of Asheboro.
- 2) **Types of Drug and Alcohol Tests Required.**
 - (a) Pre-Employment Testing: Drug testing must be conducted prior to employment. This testing must be conducted on external applicants as well as **current employees transferring into jobs that require a Commercial Driver's License (CDL)**. The tests results must indicate a negative drug test in order to be considered for employment and/or transfer.
 - (b) Post Accident Testing (Non-CDL Holder): A drug test will be conducted on **all employees** who have an on the job accident that requires medical treatment other than first aid, or results in lost work. This test is to be conducted at the time of the employee's first visit to the city physician or substitute medical provider and/or by the next work day whichever is less.
 - (c) Post-Accident Testing (CDL Holder): For the holder of a commercial driver's license (CDL), post-accident testing for drugs and alcohol must be conducted on any surviving driver who was performing safety sensitive functions with respect to the vehicle if:
 - i. The accident involved a fatality; or
 - ii. The driver received a citation under state or local law for a moving traffic violation arising from the accident.

Testing for drugs and alcohol for CDL holders should occur within two (2) hours of the accident. If the employee is unable to be tested within two (2) hours, reasons for the delay must be documented. If an alcohol test required by this section is not administered within eight (8) hours of the accident, attempts to conduct the alcohol test shall cease and the reason for the inability to conduct the test shall be documented. If a drug test required by this section is not administered within thirty-two (32) hours of the accident, attempts to conduct the drug test shall cease and the reason for the inability to conduct the test shall be documented.

- (d) Random Testing: Such testing must be conducted on a random, unannounced basis throughout the year on all holders of commercial driver's license (CDL). Random testing for drugs and alcohol for all holders of Commercial Driver's License (CDL) shall be at a rate mandated by Department of Transportation regulations. During the first year of the program, a minimum of twenty-five percent (25%) of the CDL holders must be tested for alcohol and fifty percent (50%) percent of the CDL holders must be tested for drugs.
- (e) For Cause Testing: This testing is required of any employee who has been arrested or has had his/her driver's license suspended for any alcohol or drug related charge prior to his/her return to work. The employee shall notify his/her supervisor prior to returning to work after said arrest and/or suspension has occurred. Failure to report to his/her department head may result in termination. For Cause Testing may also be required for irrational or unusual behavior, gross negligence, or disregard for safety which results in the damage of property or the lack of well-being or injury of any employee or citizen.
- (f) Return-To-Duty-Testing: Must be conducted on an employee seeking reinstatement who has had a positive alcohol test and/or drug test as defined in this policy. An employee who has had a positive alcohol or drug test will not be allowed to return to duty until he or she has been evaluated by a Substance Abuse Professional (SAP) and until he or she tests negative on a return to duty test.
- (g) Follow-up Testing: Must be conducted on an employee once he or she is allowed to return to duty following a positive alcohol and/or drug test. The employee will be subject to a minimum of six (6) follow-up drug and/or alcohol tests within the first twelve (12) months following his/her return to duty. Follow-up testing may be extended for up to sixty (60) months. Follow-up alcohol testing shall be conducted while the employee is performing safety-sensitive functions, immediately before the employee performs safety-sensitive functions, or immediately after the employee has performed safety-sensitive functions. Follow-up drug testing shall be conducted at any time while the employee is at work.

3) **Prohibited Conduct and Consequences.**

- (a) No employee shall report for duty or remain on duty while having alcohol and/or drug concentrations in his or her system in amounts that would constitute a positive test. An employee who produces a confirmed positive

test result will be removed from duty without pay. The employee must immediately schedule an evaluation with a Substance Abuse Professional (SAP) and must cooperate with any and all recommendations suggested by the SAP for treatment and/or follow-up. Refusal to cooperate will result in termination. The employee must have a negative test result before he or she will be allowed to return to duty.

- (b) The City of Asheboro expressly prohibits the possession, sale, use, distribution, dispensation, manufacture, purchase, or storage of illegal drugs/controlled substances or related paraphernalia and/or alcoholic beverages by city employees while at the workplace. By way of illustration, and not limitation, no employee shall be on duty while in the possession of one or more alcoholic beverages and/or controlled substances. Any action taken in violation of this prohibition will result in termination. Notwithstanding the foregoing, this prohibition does not extend to law enforcement officers who are performing their lawful duties and shall not be construed or interpreted in any manner that impairs lawful operations conducted by the Asheboro Police Department. Furthermore, no employee who discovers alcoholic beverages and/or controlled substances in the course of performing his or her work duties and immediately contacts the Asheboro Police Department to take possession of the prohibited item(s) shall be deemed to be in violation of this policy.
- (c) No employee required to take a post-accident alcohol test as defined in this policy shall use alcohol for eight hours following the accident, or until he or she undergoes a post-accident alcohol test, whichever comes first. Refusal to cooperate will result in termination.
- (d) A refusal by an employee to submit to and fully cooperate with an alcohol and/or drug test required by this policy shall be deemed to be a direct and intentional act of insubordination that will result in the termination of employment.
- (e) Employees are prohibited from reporting for duty or remaining on duty when the employee uses any controlled substance, except when the use is pursuant to the instructions of a physician who has advised the employee that the substance does not adversely affect the employee's ability to safely perform his or her assigned work.
- (f) A second occurrence of a positive drug and/or alcohol test will result in termination.
- (g) An employee who has a confirmed Breath Alcohol Test result of 0.02 - 0.039 shall not be allowed to continue to perform safety-sensitive functions. The employee will be removed from duty without pay for this 24-hour period and will receive a notation in his/her personnel file about the importance of reporting to work without the presence of alcohol in his/her system. The employee will be subject to a return-to-duty alcohol test prior to returning to a safety sensitive position.

(h) No applicant will be offered employment if a confirmed positive pre-employment drug test result is produced.

4) Supplemental Requirements.

(a) The Omnibus Transportation Employee Testing Act of 1991 (final rules implemented February 15, 1994) requires, in part, that any commercial motor vehicle operator who is subject to the commercial driver's license (CDL) requirement in the State of North Carolina be tested for alcohol and controlled substances.

(b) Compliance with the Department of Health and Human Services (DHHS) mandatory guidelines for controlled substances testing shall be maintained by only using a laboratory certified by the Substance Abuse and Mental Health Services Administration (SAMHSA).

(c) Federally mandated alcohol testing must be conducted by a Breath Alcohol Technician (BAT) trained to a level of proficiency that is demonstrated by successful completion of a generally recognized and accepted course of instruction. Alcohol testing shall be conducted using an Evidential Breath Testing (EBT) device.

(d) As required by the Federal Drug-Free Workplace Act, if an employee is convicted of a violation of a criminal drug statute and the violation occurred while the employee was at work, the employee must notify his department head of the conviction within five (5) days after the conviction. Failure to notify the department head will result in termination.

(e) All drug test results shall be reviewed and interpreted by a Medical Review Officer, or MRO. The MRO must be a licensed physician with specific training in substance abuse. If the laboratory reports a positive test result to the MRO, the MRO or designee will contact the employee, typically by telephone, and discuss the results with him/her. The MRO will then attempt to determine if there is a verifiable medical explanation for the employee to have the detected drug in his/her system. If there is none, the test result is to be reported as positive. If there is a verifiable medical explanation for the use of the drug, the result is to be reported as negative.

(f) An employee who does not pass a drug and/or alcohol test and is terminated, or an applicant who does not pass the pre-employment drug test, will not be considered for re-employment for a two-year period following the date of the test and then will be considered only when he/she provides documentation suitable to management that he/she has successfully completed an alcohol and/or drug rehabilitation program and passes a pre-employment drug and/or alcohol test.

SECTION 7. WORKPLACE VIOLENCE

The City of Asheboro has a zero-tolerance policy relating to the communication of threats, harassment whether it be verbal or physical, physical assaults, or any other forms of inappropriate, intimidating, or unreasonably aggressive behavior. This type of

behavior is unacceptable and, in terms of implementing the disciplinary actions prescribed by Article X of the City of Asheboro Employee Policies and Procedures Manual, shall be deemed to constitute improper personal conduct. Employees found in violation of this policy shall be subject to discipline as provided in Article X of this Manual. In addition to any disciplinary action(s) taken pursuant to the city's employee policies and procedures, employees violating this policy may be subject to criminal prosecution.

ARTICLE VII: PROMOTIONS, TRANSFERS, DEMOTIONS

SECTION 1: PROMOTIONS

It shall be the policy of the city to seek qualified applicants for vacant positions giving first consideration to promoting from within and across departmental lines. In the absence of qualified candidates for promotion, vacancies shall be filled by recruiting from the outside.

Employees shall be considered for promotion on the basis of job-related experience, skill knowledge and ability; and on a review of the quality of past performance and general suitability for the higher level position. Factors shall not be considered in judging eligibility for promotion that are not job related, such as age, sex, race, color, religion, non-job related handicap, national origin or political affiliation.

A department head's recommendation to promote an employee shall be reviewed by the human resources department and the city manager.

SECTION 2. TRANSFERS

It is the policy of the city to transfer employees temporarily or permanently from one department to another when doing so will be in the best interest of the city.

A transfer to an authorized vacancy may be arranged upon mutual agreement of all interested administrative officials and the employee.

SECTION 3. DEMOTIONS

Any employee whose work performance is unsatisfactory or as a suitable penalty for misconduct may be demoted by the department head, with the approval of the human resources department and the city manager, provided the employee shows promise of becoming a satisfactory employee in another position.

Any employee transferred or demoted for cause may appeal the disciplinary action in accordance with the grievance procedure outlined in ARTICLE XI.

ARTICLE IX: SEPARATIONS AND REINSTATEMENTS

SECTION 1: RESIGNATION

Employees are required to complete a Resignation Form two weeks prior to the effective date of the resignation. Failure to provide sufficient notice will be made part of the employment record, does not reflect positively, and may harm future reemployment possibilities. Once a resignation is accepted by the Human resources department, it may not be withdrawn by the employee. The department head may waive the requirement to work the two week notice after notice is received.

SECTION 2. REDUCTION IN FORCE

In the event that a reduction in force becomes necessary, consideration shall be given to the quality of each employee's past performance, the needs of the city and the seniority of the employees to be retained. Employees who are laid off because of a reduction in force shall be given at least two weeks' notice. No regular employee shall be separated 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 3. DISABILITY

An employee may be separated for disability when the employee cannot perform the required duties because of a physical or mental impairment. Action may be initiated by the employee or the city but in all cases it shall be supported by medical evidence as certified by a competent physician. The city may require an examination at its expense and performed by a physician of its choice. Before an employee is separated for disability, a reasonable effort shall be made to locate alternative positions within the city's service for which the employee may be suited.

SECTION 4. RETIREMENT - GENERALLY

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

SECTION 5. DEATH

All compensation due in accordance with this ordinance will be paid to the estate of the deceased employee. The date of death shall be recorded as the separation date for computing compensation due.

SECTION 6. DISMISSAL

An employee may be dismissed on the basis of job performance or on the basis of personal conduct as outlined in Article XI - Disciplinary Action.

SECTION 7. SEPARATION PROCEDURES

When an employee is to separate from service with the city for any reason the following procedures will be used to process the separation:

The resigning employee must immediately complete a Resignation Form. Once the department head has signed and approved the Resignation Form, it should be forwarded to the human resources department for approval.

The human resources department will then forward a letter to the resigning employee which explains the separation procedures and the procedure for collection of the final paycheck. The letter will also explain that prior to employee's departure, the employee's immediate supervisor and/or department head will verify, using the proper form, that all city property in the care of the separating employee has been returned in acceptable condition. Such property may include vehicles, tools, keys, uniforms, etc. An interview will also be set up with the employee to review all payroll related items and retirement account options. On or before the day upon which the employee receives the final paycheck the Human resources department will:

- (a) Explain the termination of health insurance and COBRA benefits;
- (b) Collect the medical benefits identification cards;
- (c) Conduct an exit interview; and
- (d) Collect "Verification of Return of All Equipment and Supplies" Form.

SECTION 8. REINSTATEMENTS

An employee who is dismissed because of reduction in force may be reinstated within one (1) year of the date of the separation, with the approval of the department head and the city manager. An employee who enters extended active duty with the Armed Forces of the United States, the Public Health Service or with Reserve component of the Armed Forces will be granted reinstatement rights commensurate with Chapter 43 of Public Law 93-508. Any employee who is reinstated shall be credited with previous service and previously accrued sick leave and will receive all benefits provided in accordance with this policy and under supplementary rules and regulations. The salary paid a reinstated employee shall be as close as reasonably possible, given the circumstances of each employee's case, to the salary step previously attained by the employee in the salary range for the previous class of work, plus any across the board pay increases.

ARTICLE X: DISCIPLINARY ACTIONS

SECTION 1: POLICY

The city administers a progressive disciplinary procedure by which discipline is administered in proportion to the degree of severity and frequency of unacceptable employee behavior. Progressive disciplinary actions are to be administered consistently and equitably without regard to race, color, sex, national origin, age, disability, or religion. All disciplinary actions are subject to the approval of the city manager.

SECTION 2. PURPOSE

Progressive discipline is intended to allow the employee the opportunity to correct deficiencies in work behavior by clarifying and prescribing to the employee the appropriate behavior.

SECTION 3. CAUSATION

Employees may be disciplined for improper personal conduct or unsatisfactory performance of job duties.

SECTION 4. PROCEDURE

When deemed appropriate by the management team, progressive formal discipline is to be administered and recorded in an employee's personnel jacket as follows:

(1) Written Warning

Documented discussion of specific work-related concerns indicating corrective measures to be followed. The receipt of a written warning must be acknowledged in writing by the employee. If the employee refuses to properly acknowledge the receipt of a written warning, the supervisor issuing the written warning shall note the employee's refusal on the employee disciplinary report and have an additional supervisor sign the disciplinary report as a witness to the fact that the employee refused to sign the disciplinary report.

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

If an employee continues to perform his or her duties in an unsatisfactory manner after the receipt of a written warning about deficiencies in the employees' work performance, or if the employee engages in improper personal conduct that involves a mitigating factor or a combination of mitigating factors deemed by the management team to warrant disciplinary action short of dismissal, the employee may be issued a written warning that contains conditions with which the employee must comply in order to maintain his or her employment with the city. These conditions of employment may include, but are not limited to, performance standards that are designed to establish a defined goal for the employee to attain in order to demonstrate that substantive progress has been made toward the employee working and conducting himself or herself in a manner that meets the expectations of the City of Asheboro. The performance standards established as part of a specific written warning may remain in

effect for up to six (6) calendar months after the employee's receipt of the written warning. The receipt of a written warning must be acknowledged in writing by the employee. If the employee refuses to properly acknowledge the receipt of a written warning, the supervisor issuing the written warning shall note the employee's refusal on the employee disciplinary report and have an additional supervisor sign the disciplinary report as a witness to the fact that the employee refused to sign the disciplinary report.

Dismissal from employment or the issuance of a written warning with conditions of continued employment as a consequence of improper personal conduct does not require prior warning, documented or otherwise.

(3) Pre-Dismissal Hearing

The supervisor recommending dismissal shall discuss the preliminary recommendation with the Human resources department. The supervisor shall schedule and conduct a pre-dismissal conference with the employee. In the conference, the supervisor shall give the employee written notice of the recommendation for dismissal, including specific reasons for the proposed dismissal and a summary of the information supporting that recommendation. The employee shall have an opportunity to respond to the proposed dismissal, to refute information supporting the recommended dismissal action and to offer information or arguments to support his/her position. During this pre-dismissal hearing with the division/department head, no outside parties, specifically including without limitation private legal counsel, may participate in this process that is limited to the city's employee and the employee's supervisor(s). In the event the decision is made to proceed with the dismissal from employment, the employee may have legal counsel appear on his or her behalf during the post-dismissal appeal proceedings that are conducted by the human resources director and the city manager.

(4) Suspension

If the behavioral infraction is extremely serious to the city, fellow employees, or the public, supervisors may suspend an employee without warning.

SECTION 5. DISMISSAL/DEMOTION

An employee may be demoted/dismissed for unsatisfactory performance of duties after the employee has received prior written warning (s) on his/her job performance. An employee may be demoted/dismissed for improper personal conduct without prior warnings (s). Before an employee is demoted/dismissed for either reason, the following shall apply:

- 1) A written summary of facts and circumstances leading to the decision will be prepared by the supervisor or a higher level administrator. A copy of the report shall be submitted to the human resources department prior to informing the employee of the decision.
- 2) Documentation of previous disciplinary action taken (such as previous oral and written warnings) and other documents that support the decision shall be attached to the summary.
- 3) Prior to conducting a pre-dismissal hearing, which is also conducted in advance of taking final action on a contemplated demotion, the division director/department

head shall forward the above-referenced summary to the human resources director and the city manager for approval to proceed with a pre-dismissal hearing.

- 4) Within two (2) business days of the date of the pre-dismissal hearing, the division director/department head that conducted the hearing shall transmit to the employee written notice of the decision made by the division director/department head. If the decision is to demote or dismiss the employee, the division director/department head shall, at a minimum, include the following information in the notice:
 - (a) Reason(s) for demotion or dismissal;
 - (b) An effective date of the action;
 - (c) A numerical list of the specific findings relied upon by the division director/department head in order to reach a decision; and
 - (d) The employee's right to appeal the decision through the city's administrative review process.
- 5) The dismissal/demotion of probationary employees shall be governed by Article III, Section 5 of the City of Asheboro Employee Policies and Procedures Manual. Furthermore, Section 6 of this Article shall be deemed to be inapplicable to probationary employees.

SECTION 6. RIGHTS OF APPEAL

In the cases of a suspension, demotion, or dismissal that has been entered by a division/department head, a regular employee has appeal rights. If an appeal is made from the decision of the human resources director, such an appeal is to be made to the city manager in accordance with subsection (B) below. In the case of the suspension, demotion, or dismissal of a regular employee holding the rank of department head or higher, the city manager will specify the appeal procedure that will be available to the employee at the same time the city manager designates the employee who will conduct, on behalf of the manager, the administrative investigation of the circumstances leading to the need to evaluate whether a suspension, demotion, or dismissal is warranted. Otherwise, the appeals process will be conducted as follows:

A. Appeal from a Division Director/Department Head to the Human Resources Director

A regular employee may appeal his or her suspension, demotion, or dismissal to the human resources director. Any such appeal must be in writing, and the written notice of appeal must be received by the human resources director within twenty (20) workdays following the entry of the personnel action that is under appeal. The human resources director shall review the written reports utilized by the division director/department head to take the personnel action under appeal, and the human resources director may request additional information and documentation prior to the hearing that will be scheduled in order to consider the appeal.

The human resources director shall notify all concerned of a time and date for the post-personnel action appeal hearing that will take place as soon as possible, but not later

than twenty-five (25) workdays after the date of the personnel action under review. During the hearing, the human resources director may receive new information, written or oral, from the division director/department head and/or employee so long as the information/documentation is germane to the issue(s) under review. In deciding the issue on appeal, the human resources director may confirm or modify the recommendation of the division director/department head and enter such order as the human resources director may deem appropriate. The human resources director's written decision shall be entered and forwarded to the division director/department head and the employee within thirty (30) workdays of the personnel action from which an appeal has been made.

Either the division director/department head or the employee may appeal the human resources director's decision to the city manager. If an appeal is properly filed, the human resources director will forward his written decision as well as all of the documents that he considered during the appeal process to the city manager for further review.

B. Appeal from the Human Resources Director's decision to the City Manager

An appeal from the decision of the human resources director pertaining to a regular employee's suspension, demotion, or dismissal must be submitted in writing to the city manager. Any such written notice of appeal must be received by the city manager within thirty-five (35) workdays of the entry of the personnel action under appeal. The city manager will review all of the documentation considered by the human resources director, and the manager may request additional information and documentation prior to the hearing that will be held to consider the appeal.

The city manager will notify all concerned of a time and date for the appeal hearing that will take place as soon as possible, but not later than forty (40) workdays after the entry of the personnel action under appeal. At the hearing, the city manager may receive new information, written or oral, from the parties to the appeal so long as the information/documentation is germane to the issue(s) under review. In deciding the issue on appeal, the city manager may confirm or modify the decision entered by the human resources director and will enter such order as the manager deems appropriate. The decision entered by the city manager shall be final.

The city manager's written decision will be entered and forwarded to the human resources director, the division director/department head, and the employee within forty-five (45) workdays after the personnel action from which an appeal has been made. Any deviation from the above policy and procedure shall be subject to the approval of the city manager.

SECTION 7. ADMINISTRATIVE GUIDELINES

A. Unsatisfactory Performance of Duties

This category covers all types of performance-related inadequacies. This policy does not require that the progressive warnings address the same type of unsatisfactory performance, but it does require that all warnings be related to job performance. Unsatisfactory performance of duties may include, but is not limited to:

- 1) Inefficiency or incompetence in performing duties;

- 2) Negligence in performance of duties;
- 3) Physical or mental incapability for performing duties;
- 4) Careless or improper use of city property;
- 5) Failure to maintain satisfactory and harmonious working relationships with fellow employees and the public;
- 6) Habitual pattern of failure to report for duty at the assigned time and place;
- 7) Absence without approved leave;
- 8) Habitual and improper use of sick leave privileges;
- 9) Failure to obtain or maintain current license or certificate required as a condition for performing the job; and
- 10) Failure to wear and use appropriate safety equipment or otherwise to abide by safety rules and policies.

B. Improper Personal Conduct

An employee who engages in a single act of improper personal conduct is subject to dismissal from employment with the City of Asheboro regardless of whether the employee has previously received a warning of any kind during his or her career with the city. The following list is illustrative, and is not an exhaustive or exclusive list, of the types of improper personal conduct that will lead to the termination of an individual's employment with the city:

- 1) Conduct unbecoming a city employee;
- 2) Conviction of a felony;
- 3) Committed a criminal act;
- 4) Misusing city funds;
- 5) Falsifying information provided to the municipal corporation in order to secure one or more job assignments or position(s);
- 6) Engaging in any action that would in any way seriously disrupt or disturb the normal operations of the municipal corporation;
- 7) Willful acts that would endanger the lives or property of others;
- 8) Willfully damaging city property;
- 9) Possessing unauthorized weapons, alcoholic beverages, or illegal substances while on the job;

- 10) Threats, pressure, or physical actions against others, specifically including without limitation uninvited and repeated contact, whether by means of communication devices or by means of physical visits to the grounds or home of the targeted individual, for the purpose of harassing an individual or forcing unwelcomed dialogue/discussion that is not subject to free speech protections afforded by the Constitutions of the United States and the State of North Carolina;
- 11) Insubordination;
- 12) Accepting gifts for "favors" or "influence;"
- 13) Without proper authorization, disseminating or otherwise releasing in any manner information that is lawfully maintained by the city as confidential information;
- 14) Unauthorized possession of the city's or another employee's property;
- 15) Leaving the work area repeatedly for excessively long periods without proper authorization;
- 16) Violation of the city's policies prohibiting sexual harassment, unlawful discrimination, workplace violence, and/or substance abuse;
- 17) Providing or maintaining false or improper records/documents;
- 18) Sleeping during work time;
- 19) Gambling during work time; and
- 20) Providing an untruthful statement or statements during an administrative investigation conducted by the city and/or otherwise attempting to impede the ability of the city to conduct an accurate and complete administrative investigation.

C. Written Warning

During the period after written warnings have been issued for unsatisfactory performance of duties, management may choose to counsel with the employee concerning his/her employment status before a decision to demote or dismiss is made. Such counseling should involve a candid discussion about the actions that an employee must take in order to correct the unsatisfactory performance. As a part of this counseling, management may request the employee to take up to one (1) day's leave with pay to consider whether or not the employee wishes to continue his/her employment with the city. It should be stressed to the employee that a decision to continue employment with the city will require a commitment to improve performance, and that a lack of improvement will lead to dismissal. Management is expected to use its discretion to determine when this procedure would benefit the employee and the city.

D. Suspension

Investigatory or disciplinary suspension may be used by management in appropriate circumstances. The following general guidelines shall be utilized when deciding whether to place an employee on suspension:

- 1) If the infraction or behavior is extremely serious or injurious to the city, fellow employees, or the public, a supervisor may suspend an employee without warning. However, before any further formal disciplinary action such as demotion or dismissal is taken against an employee, the employee's division director/department head must consult with the human resources department.
- 2) An employee who has been suspended for either investigatory or disciplinary reasons may be placed on compulsory leave without pay.
- 3) Investigatory suspension with or without pay may be appropriate:
 - (a) To provide time to investigate, establish facts, and reach a decision concerning an employee's status in those cases where it is determined the employee should not continue to work pending a decision; and
 - (b) When management elects to use investigatory suspension in order to avoid undue disruption of work or to protect the safety of persons or property.
- 4) Investigatory suspension without pay shall not exceed thirty (30) calendar days.
- 5) Investigatory suspension with pay will be at the request of the division director/department head and must be authorized by the city manager.
- 6) An employee who has been suspended with or without pay must be furnished a letter with the specific reasons for his/her suspension and notice of right to appeal. A copy of the letter shall be forwarded to the human resources department in advance.
- 7) Suspension with or without pay must be fully documented.

E. Review of Documentation

- 1) An employee who objects to material in his or her personnel jacket may place in the file a statement relating to the material the employee considers to be inaccurate or misleading. The employee may seek the removal of such material by filing a grievance and following the grievance procedures specified in Article XI of the City of Asheboro Employee Policies and Procedures Manual.
- 2) Probationary employees who have been subject to disciplinary action for improper personal conduct, and are ineligible for access to the city's appeal procedures for regular employees, may submit to the human resources director a written request for an informal name-clearing proceeding that will be conducted by the human resources director. The human resources director must receive such a written request within thirty (30) business days of the date of receipt by the probationary employee of the problem causing documentation. In his or her request, the probationary employee must state the basis for his or her belief that the submitted documentation should be amended, supplemented, or removed.
 - (a) During the informal hearing of this matter, the human resources director shall review all pertinent written reports and may request additional information and documentation. Also, the human resources director may receive new evidence,

written or oral, from the division director/department head and employee so long as the evidence is relevant to whether the problem causing documentation should be removed, amended, or supplemented. In deciding the question presented by the probationary employee, the human resources director may reject the probationary employee's contention or agree to amend, supplement, or remove the documentation previously placed in the employee's personnel jacket.

- (b) If an individual is dissatisfied with the decision rendered by the human resources director, the individual may appeal the human resources director's decision by submitting a written request to the city manager for an informal hearing before the city manager. Such a request must be received by the city manager within fifteen (15) business days of the date on which the individual received the human resource director's written decision.
- (c) The city manager shall review the entirety of the information previously reviewed by the human resources director during his or her consideration of the matter. Additionally, the city manager may receive new evidence, written or oral, from the division director/department head and employee so long as the evidence is relevant to whether the problem causing documentation should be removed, amended, or supplemented. When ruling on the appeal, the city manager may confirm or modify the decision of the human resources director. The decision rendered by the city manager shall be final. The city manager shall furnish written notice to the employee, the division director/department head, and the human resources director of his final ruling
- (d) This name-clearing opportunity is for the limited and sole purpose of providing an employee who has no other grievance or appeal rights with an opportunity to properly request the removal or mitigation of allegedly damaging information previously placed in a personnel jacket. The name-clearing process shall not afford probationary employees access to the city's appeal process in Section 6 of this Article or to the city's grievance procedure that is specified in Article XI. During the name clearing process, the previously suspended, demoted, or dismissed probationary employee does not have the right to appeal his or her suspension, demotion, or dismissal from employment and is expressly prohibited from raising such an appeal.

ARTICLE XI: GRIEVANCE PROCEDURE

The grievance procedure is designed to facilitate open and meaningful internal communications between employees and the different levels of management about workplace problems or dissatisfactions without fear of reprisal on the part of the city's employees. The other intended benefits of this grievance procedure are to promote a better understanding of employee policies, practices, and procedures; to instill confidence in employees that fair and impartial treatment will be received; and to develop in supervisors a continuing sense of responsibility for maintaining effective working relationships with subordinate employees.

All employees including supervisors and division/department heads, are expected to discuss their problems and misunderstandings with their superiors. Open two-way communication is a proven factor in reducing and resolving grievances. When utilizing this internal forum to better understand and hopefully satisfactorily resolve complaints/dissatisfactions, no outside parties, specifically including without limitation private legal counsel, may participate in this process that is limited to the city's employees and the various levels of the city's management team.

The grievance procedure established in this Article is not the appropriate forum for considering issues concerning an employee's suspension, demotion, or dismissal. An appeal from a suspension, demotion, or dismissal from employment shall be filed and will be heard in accordance with the provisions found in Article X, Section 6 of this Manual. All other types of work-related problems, dissatisfactions, and complaints shall be discussed by all parties in a positive and respectful manner in accordance with the following procedures:

A. Informal Discussion with Immediate Supervisor

An employee who feels he/she has a grievance shall first discuss the problem with the immediate supervisor. The employee must inform the supervisor about the grievance as soon as possible, but not later than five (5) workdays following the incident or action that caused or revealed the problem. It is supervisory responsibility to encourage the subordinate to discuss the problem with the supervisor so as to promote understanding. Most misunderstandings should be clarified and resolved during this free exchange of viewpoints. If the employee still feels the grievance is not resolved, he/she may proceed to the next step of this procedure.

B. Conference Meeting with Division Director/Department Head

An employee may request a conference meeting with the division director/department head to discuss an unresolved grievance. Such a request must be received by the division director/department head in writing from the employee no later than ten (10) workdays following the event that caused or revealed the grievance.

The division director/department head shall promptly notify the human resources director, the employee and the employee's immediate supervisor of a date and time for the conference meeting, which will be no later than fifteen (15) workdays after the problem causing event. The division director/department head will open the meeting with an informal discussion of the problem and will explore possible solutions with those in attendance. Every effort will be made during this discussion to resolve the grievance to

the satisfaction of all concerned. However, if the grievance cannot be resolved through this discussion, the parties will together prepare a written report of all sides of the issue, including the recommendation of the division director/department head. This report shall be promptly submitted to the human resources director for further consideration through the next step.

C. Conference Meeting with the Human Resources Director

An employee may request a conference meeting with the human resources director to discuss an unresolved grievance. Such a request, along with the written report that is to be submitted by the parties involved, must be received by the human resources director in writing no later than twenty (20) workdays following the event that caused or revealed the grievance. The human resources director shall review all written reports and may request additional information and documentation prior to the conference meeting.

The human resources director shall notify all concerned of a time and date to hold a conference meeting that will take place as soon as possible, but not later than twenty-five (25) workdays after the problem causing event. At the conference meeting, the human resources director may receive new information, written or oral, from the division director/department head and/or employee, which is germane to the issue. In resolving the grievance, the human resources director may confirm or modify the recommendation of the division director/department head and recommend such order, as he or she may deem appropriate in the matter.

If the grievance cannot be resolved at this particular conference meeting, the human resources director will prepare a written report of all sides of the issue, including the recommendation of the division director/department head and the human resources director's recommendation. This report shall be promptly submitted to the city manager for further consideration through the next step.

Notwithstanding any other provision in this section, in the event the grievance is filed by an employee in the human resources department or by a division director/department head, the grievance will be heard directly by the city manager.

D. Conference Meeting with the City Manager

An employee may request a conference meeting with the city manager to discuss an unresolved grievance. Such a request, along with the written report submitted by the human resources director, must be received by the city manager in writing from the employee no later than thirty (30) workdays following the event that caused or revealed the grievance. The city manager shall review all written reports and may request additional information and documentation prior to the conference meeting.

The city manager shall notify all concerned of a time and date to conduct the conference meeting that will take place as soon as possible, but not later than thirty-five (35) workdays after the problem causing event. At the conference meeting, the city manager may receive new information, written or oral, from the division director/department head and/or employee, which is germane to the issue. In resolving the grievance, the city manager may confirm or modify the decision of the human resources director and/or the division director/department head and enter such order as the manager may deem appropriate in the matter. The decision rendered by the city manager shall be final.

The city manager shall furnish written notice to the employee, the division director/department head, and the human resources director of his final decision. This notice shall be made not later than forty (40) workdays from the original date of the event that caused or revealed the problem. Any deviation from the above policy and procedure shall be subject to approval by the city manager.