

**TOWN OF CARRBORO
PERSONNEL POLICY**

ARTICLE I

PURPOSE, COVERAGE AND DEFINITIONS

Section 4-1 Purpose of the Policy

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

Section 4-2 Merit Principle

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

Section 4-3 Responsibilities of the Board of Aldermen

The Board of Aldermen shall be responsible for establishing and approving personnel policies, the position classification and pay plan, and changing the policies and benefits as necessary. They shall also make and confirm appointments when so specified by the general statutes.

Section 4-4 Responsibilities of the Town Manager

The Town Manager shall be responsible to the Board of Aldermen for the administration and technical direction of the personnel program. The Town Manager shall appoint, suspend, and remove all Town employees except those appointed by the Board of Aldermen. The Town Manager shall make appointments, dismissals, and suspensions in accordance with the Town Charter and other policies and procedures spelled out in other Articles in this Policy.

The Town Manager shall:

- a) recommend rules and revisions to the personnel system to the Board of Aldermen for consideration;
- b) make changes as necessary to maintain an up to date and accurate position classification plan;
- c) recommend necessary revisions to the pay plan;
- d) determine which employees shall be subject to the overtime provisions of Fair Labor Standards Act;
- e) develop and administer such recruiting programs as may be necessary to obtain an

adequate supply of competent applicants to meet the needs of the Town;

- g) perform such other duties as may be assigned by the Board of Aldermen not inconsistent with this Policy; and
- h) appoint an employee to the role of Human Resources Director.

Section 4-5 Responsibilities of the Human Resources Director

The responsibilities of the Human Resources Director are to make recommendations to the Town Manager on the following:

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

Section 4-6 Application of Policies, Plan, Rules and Regulations

The personnel policy and all rules and regulations adopted pursuant thereto shall be binding on all Town employees, but does not apply to Service Providers. The Town Manager, Town Attorney, and members of Board of Aldermen and advisory boards and commissions will be exempted except in sections where specifically included. An employee violating any of the provisions of this policy shall be subject to appropriate disciplinary action, as well as prosecution under any civil or criminal laws which have been violated.

Section 4-7 Departmental Rules and Regulations

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

only to the personnel of that department. All such rules and regulations shall be subject to the approval of the Town Manager, and shall not in any way conflict with the provisions of this Policy, but shall be considered as a supplement to this Policy.

Section 4-8 Definitions

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

Disciplinary Action: An action taken by an employee's department head or the town manager in response to the conduct or performance of that employee which deprives the employee of a benefit or privilege already possessed or an opportunity to which the employee would otherwise be entitled. Disciplinary actions may range in seriousness up to and including suspensions without pay and dismissals. Without limiting the generality of the foregoing, denials of performance increases, adverse evaluations, or oral or written reprimands shall not be regarded as disciplinary actions for the purposes of the appeals procedure.

Domestic Partner: Any person with whom the employee cohabits and shares an intimate relationship regardless of marital status as shown by affidavit.

Employee: A person who performs personal services for the town in return for some form of compensation and is treated as such for the purposes of withholding social security or tax payments in accordance with federal or state regulations.

Full-time employment: Employment, whether permanent or temporary, in which an employee works the number of hours per week designated by the Board of Aldermen as full-time. For the purposes of this section, full-time employment shall consist of an average workweek of at least thirty-seven and one-half (37 ½) hours.

Grievance: A claim or complaint by an employee that some event, policy, condition, or situation for which the town or any of its employees is or may be responsible, has adversely affected or is adversely affecting that employee in connection with his or her employment relationship with the town. Grievances shall be categorized as follows:

- a. **Type 1 Grievance:** A grievance in which the claim or complaint involves a contention that the aggrieved employee has been unfairly evaluated or treated by another employee or agent of the town. By way of illustration without limitation, a Type 1 grievance may involve a claim that an employee has unfairly received a negative performance evaluation or been denied a merit increase or has been the victim of unfair or discriminatory supervisory practices or unjust treatment by fellow workers.
- b. **Type 2 Grievance:** A grievance in which the claim or complaint involves a contention that the employee is being or has been adversely affected by generally applicable policies or procedures (or the lack thereof), unsatisfactory, unhealthy, or unsafe physical facilities, surroundings, materials, or equipment, unreasonable work quotas or expectations, or other conditions or terms of employment that do not arise out of or result from an interpersonal conflict between the aggrieved employee and another employee or agent of the town.

Immediate family: Father, mother, wife, husband, son, daughter, brother, sister, grandmother, grandfather, mother-in-law, father-in-law, daughter-in-law, son-in-law, half-sister, half-brother,

stepmother, stepfather, stepson, stepdaughter, stepsister, stepbrother, or any other relative who is a guardian of the employee or a domestic partner. This definition does not apply to benefits such as health insurance or retirement, unless otherwise provided.

Officials: The Mayor, members of the Board of Aldermen and the members of the Planning Board, Board of Adjustment, Appearance Commission, Recreation Commission, and Transportation Advisory Board.

Part-time employment: Employment, whether permanent or temporary, in which an employee works less than the number of hours per week designated by the Board of Aldermen as full-time. For the purposes of this section, full-time employment shall consist of an average workweek of at least thirty-seven and one-half (37 ½) hours.

Permanent position. A position authorized by the Board of Aldermen budgeted for a full 12-month period with the expectation that the position will continue from year to year. Positions or employment should not be construed as a contract or right to perpetual funding or employment.

Probationary employee: An employee appointed to a permanent full-time or part-time position who has not yet successfully completed the designated probationary period.

Regular employee: An employee appointed to a permanent full-time or part-time position who has successfully completed the designated probationary period.

Service Provider: A person who performs personal services for the Town of Carrboro for compensation, under a service agreement, but with respect to whom the town does not withhold any portion of the compensation paid for social security or income tax payment.

Temporary position: any position other than a permanent position.

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

ARTICLE II.

POSITION CLASSIFICATION PLAN

Section 4-9 Purpose.

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

Section 4-10 Composition of the Position Classification Plan

The classification plan shall consist of:

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

Section 4-11 Use of the Position Classification Plan

The classification plan is to be used:

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

Section 4-12 Administration of the Position Classification Plan

The Town Manager, assisted by the Human Resources Director shall allocate each position covered by the classification plan to its appropriate class, and shall be responsible for the administration of the position classification plan. The Town Manager shall periodically review portions of the classification plan and make minor revisions to insure that classifications accurately reflect current job duties and responsibilities. The Town Manager shall also periodically review the entire classification plan and, when needed, recommend major changes to the Board of Aldermen.

Section 4-13 Authorization of Positions and the Position Classification Plan

The Town Manager needs the flexibility to adjust the staffing and assignment of personnel from time to time to ensure that priority services and programs approved by the Board of Aldermen are being addressed efficiently. Given such, the Town Manager shall establish, administer, and maintain a current plan of classification of all positions and shall allocate and reallocate positions to classes on the basis of kind and level of duties and responsibilities within the parameters of the adopted budget.

Section 4-14. Request for Reclassification

Each budget year, any employee who considers the position in which the employee is classified to be improper shall submit a request in writing for reclassification to such employee's immediate supervisor, who shall immediately transmit the request through the department head who will review the request and determine if it should be forwarded to the Human Resources Director. The position will be reviewed to determine the merits of the reclassification and any recommendations to revise the classification and pay plan will be made to the Town Manager.

ARTICLE III

THE PAY PLAN

Section 4-15 Definition

The pay plan, published as a separate document, includes the basic salary schedule and the "List of Classes Arranged by Grades" adopted by the Board of Aldermen. The salary schedule consists of minimum, midpoint, and maximum salary for all classes of positions.

Section 4-16 Payroll Deduction Authorization

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

Section 4-17 Service Level Benefits

Full-time employees of the Town may be compensated for years of service by payment of a longevity supplement based on continuous years of service as of December 31st of each year if funds are appropriated in the Annual Budget Ordinance. Employees that separate Town employment and return within one year will be credited with previous service for the purposes of the service level benefit.

The amount of the service level benefit is indexed each year to reflect the cost of living portion of the pay for performance increase. Continuous service is defined as continuous employment including any approved leave or involuntary reduction in force.

ARTICLE IV. RECRUITMENT AND EMPLOYMENT

Section 4-18 Equal Employment Opportunity Policy

It is the policy of the Town to foster, maintain and promote equal employment opportunity. The Town shall select employees on the basis of the applicant's qualifications for the job and award them, with respect to compensation and opportunity for training and advancement, including upgrading and promotion, without regard to age, race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, sexual orientation, marital status, gender identity, or gender expression.

Section 4-19 Implementation of Equal Employment Opportunity Policy

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

Section 4-20 Recruitment, Selection, and Appointment

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

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

Application for Employment. All persons expressing interest in employment with the Town shall be given the opportunity to file an application for employment for positions which are currently being recruited.

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

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

Appointment. Before any commitment is made to an applicant either internal or external, the Department Head shall make recommendations to the Human Resources Director including the

position to be filled, the salary to be paid, and the reasons for selecting the candidate over other candidates.

Section 4-21 Probationary Period

An employee appointed to a permanent position shall serve a probationary period. Employees shall serve a six - month probationary period, except that part-time employees, sworn police officers and fire personnel shall serve a twelve-month probationary period. Employees hired as trainees shall remain on probation until the provisions of their traineeship are satisfied; however not to exceed 18 months. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress. Before the end of the probationary period, the supervisor and/or department head shall conduct a performance evaluation conference with the employee and discuss accomplishments, strengths, and needed improvements. A summary of this discussion shall be documented in the employee's personnel file as an evaluation form. The supervisor shall recommend in writing to the Manager, or his designee as to whether the probationary period should have been successfully completed, should be extended, or the employee transferred, demoted, or dismissed. Probationary periods may be extended up to fifty percent (50%) of the initial period.

Disciplinary action, including demotion and dismissal, may be taken at any time during the probationary period of a new employee without following the steps outlined in this Policy for disciplinary action. Given such, probationary employees are not entitled to utilize the procedures for appeal of disciplinary action set forth in Section 4-91.

Section 4-22 Promotion

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

Department heads are responsible for developing staff capacity to provide back-up for coworkers and higher level positions; to prepare staff and the organization for smooth transitions; and to insure capability to cover interim absences and vacancies.

Section 4-23 Demotion

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

An employee who wishes to accept a position with less complex duties and reduced responsibilities may request a voluntary demotion. A voluntary demotion is not a disciplinary action and is made without using the above-referenced disciplinary procedures; however, this does not preclude a reduction in salary.

Section 4-24 Transfer

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

ARTICLE V. CONDITIONS OF EMPLOYMENT

Section 4-25 Work Schedule

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

Section 4-26 Political Activity

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

- a) Engage in any political or partisan activity while on duty;
- b) Use official authority or influence for the purpose of interfering with or affecting the result of a nomination or an election for office;
- c) Be required as a duty of employment or as condition for employment, promotion or tenure of office to contribute funds for political or partisan purposes;
- d) Coerce or compel contributions from another employee of the Town for political or partisan purposes;
- e) Use any supplies or equipment of the Town for political or partisan purposes; or
- f) No official may be employed by the Town in any capacity. If an employee is elected or selected to an official position, then he or she forfeits his or her employment with the Town upon assuming that office.

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

Section 4-27 Outside Employment

The work of the Town shall have precedence over other occupational interests of employees. All outside employment for salaries, wages, or commission and all self-employment must be reported in advance to the employee's supervisor, who in turn will report it to the Department Head. The Department Head will review such employment for possible conflict of interest and decide whether to approve the work. Conflicting or unreported outside employment are grounds for disciplinary action up to and including dismissal. Documentation of the approval of outside employment will be placed in the employees personnel file.

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

- a) employment with organizations or in capacities that are regulated by the employee or employees department; or

- b) employment with organizations or in capacities that negatively impact the employees perceived integrity, neutrality, or reputation related to performance of the employees Town duties.

Outside employment as it relates to law enforcement contains more specific criteria that should be included in the Police Department's Administrative manual.

Section 4-28 Dual Employment

If the Town of Carrboro elects to approve such, a full or part-time employee of the Town may simultaneously hold another position with the Town if the temporary position is in a different department and clearly a different program area from that of the full or part-time position and the employment in the temporary position is performed on an occasional or sporadic basis. However, the work of the full or part-time position shall take precedence over the temporary position, and such work will not count toward the calculation of overtime for pay or time off.

Section 4-29 Employment of Relatives

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

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

This clause shall not be retroactive concerning any relative currently working for the Town at the time of adoption of this policy.

Section 4-30 Harassment

Harassment on the basis of age, race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, sexual orientation, marital status, gender identity, or gender expression is discrimination. The Town opposes harassment by supervisors and co-workers in any form. Harassment is verbal or physical conduct that denigrates or shows hostility or aversion toward an individual because of his or her age, race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, sexual orientation, marital status, gender identity, or gender expression, or that of his or her relatives, friends, or associates.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of

such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Any employee who believes that he or she may have a complaint of harassment may follow the Grievance Procedure described in this Policy or may file the complaint directly with the Town Manager, Human Resources Director, or any department head who will advise the Human Resources Director of the complaint. The Human Resources Director will insure that an investigation is conducted into any allegation of harassment and advise the employee and appropriate management officials of the outcome of the investigation. Employees witnessing harassment shall also report such conduct to an appropriate Town official.

Section 4-31 Acceptance of Gifts and Favors

(a) No official or employee may accept any gift, whether in the form of service, loan, thing or promise from any person who to the knowledge of the official or employee is interested directly or indirectly in any manner whatsoever in business dealings with the Town.

(b) No official or employee may accept any gift, favor, or thing of value that may tend to influence that official or employee in the discharge of duties.

(c) No official or employee may grant in the discharge of duties any improper favor, service, or thing of value.

(d) No official or employee may use his position with the town to secure a contract for the purchase of goods or services from any firm or organization in which he has a direct financial interest.

Section 4-32 Performance Evaluation

Supervisors and/or Department Heads shall conduct performance evaluation conferences with each employee at least once a year. These performance evaluations shall be documented in writing and placed in the employee's personnel file. Procedures for the performance evaluation program shall be published by the Town Manager.

Section 4-33 Safety

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

Section 4-34 Direct Deposit

Employees are required to participate in the Town's direct deposit program.

Section 4-35 Adverse Weather/Hazardous Conditions

The Town has responsibility for emergency services including law enforcement. Adequate staff are required to operate these critical services seven days per week and 24 hours per day in all weather. Department heads should designate which staff are in critical positions and required to report to work regardless of weather or other hazardous conditions.

The adverse weather/hazardous conditions policy is established to be as fair as possible to all employees by applying the following principles:

1. Maintain adequate staffing at all times of emergency services;
2. Provide for as much safety as possible for all employees in traveling to and from work in hazardous conditions; and
3. Require employees who are not working to use accrued leave, compensatory time, or take leave without pay.

Town offices and departments shall remain open for the full scheduled working day unless authorization for closing or other deviation is received from the Town Manager's office. The Manager will consider the hazard of driving conditions and other relevant factors in determining whether to close Town offices. All departments and offices will be given sufficient advance notice of any authorized closing of non-critical Town functions. Upon authorizing a closing, non-critical staff may use vacation, earned compensatory time, or time without pay for the hours not worked. Employees who leave work before an official early closing time, as well as employees who report for work late or do not report for work because of hazardous conditions may also use earned vacation, compensatory leave, or take leave without pay (if other leave is not available) for days or hours not worked.

Section 4-36 Residency

Within six months after his or her appointment the Town Manager shall become a resident of the town and shall remain a resident of the town during his or her tenure as Manager.

The Board of Aldermen also deems it important to the health, safety, and welfare of the citizens of the Town of Carrboro that the administrative heads of the police department and fire department reside within close proximity to the town so that they can generally be available to respond rapidly to the town's needs at all times. The Board further finds that it is also important that the police chief and fire chief be a part of the community of Carrboro. Therefore, within six months of their appointment, the police chief and fire chief, respectively, shall establish residency as described below and continue to adhere to the requirement while employed.

- (1) The police chief shall reside within the corporate limits of the town.
- (2) The fire chief shall reside within the Chapel Hill Township.

All other department heads are encouraged but shall not be required to reside within the town.

A person becomes a resident of or establishes residency within the prescribed area when the person: a) has left his or her prior home with no intent to return to the prior home as a place of regular habitation; and b) has rented, leased, or purchased a dwelling unit (as defined in the Carrboro Land Use Ordinance) within the prescribed area; and c) has established such dwelling unit as his or her regular place of habitation and the place to which, whenever he or she is absent, he or she has the intention of returning; and d) actually resides within the dwelling unit on a regular basis at least five evenings during normal weeks.

ARTICLE VI. EMPLOYEE BENEFITS

Section 4-37 Eligibility

All permanent full-time and part-time employees of the Town are eligible for employee benefits to the extent provided for in this policy. These benefits are subject to change at the Town 's discretion. Temporary employees are eligible only for workers' compensation and FICA (social security benefits).

Section 4-38 Group Health and Hospitalization Insurance

The Town provides group health and hospitalization insurance programs for employees designated as permanent full-time and working a minimum of 37.5 hours per week.

Employees who meet any of the retirement options available through the NCLGERS and retire with continuous service with the Town of Carrboro may continue in the Town's group health plan, if allowed by the provider, as long as the employee wishes to remain in the program and continues to pay his or her share of the insurance premium. Dependents of retirees at the time of the employee's retirement will also be eligible to continue for as long as the retiree is enrolled; however, the retiree will be responsible for paying the total cost of dependent coverage. Should the retiree become no longer eligible for coverage, the dependent will be offered coverage through COBRA. Retirees will not be permitted to add dependents that are not enrolled at the time of retirement.

<u>Continuous years of Service</u>	<u>Percentage of Insurance Premium to be Paid by Town</u>
10 - 14 years	50%
15 - 19 years	75%
20 years and up	100%

As used in this section, the term "insurance premium" refers to that amount of premium that the Town would have paid on behalf of the former employee if that person were still employed by the Town.

The benefits provided under this section are not intended to be contractual in nature and may be reduced or withdrawn at any time in the unilateral discretion of the Board of Aldermen for financial reasons or any other reason deemed sufficient by the Board of Aldermen.

Information concerning cost and benefits shall be available to all employees from the Human Resources Department.

Section 4-39 Group Life Insurance

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

Section 4-40 Other Optional Group Insurance Plans

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

Section 4-41 Retirement

Each employee who is expected to work for the Town in a position designated as permanent for more

than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System on the first day of employment as a condition of employment as defined by the retirement system.

Section 4-42 Supplemental Retirement Benefits

The Town may provide supplemental retirement benefits for its permanent full time and part-time employees. Each law enforcement officer shall receive 401-K benefits as prescribed by North Carolina State Law beginning on the first day of employment. Other employees may receive supplemental benefits as determined by the Board of Aldermen.

Section 4-43 Social Security

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

Section 4-44 Workers' Compensation (May need slight revision)

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

Responsibility for claiming compensation under the Workers' Compensation Act is on the injured employee, and such claims should be filed with the North Carolina Industrial Commission within five days of the date of injury. The Human Resources Director will assist the employee in filing the claim if necessary.

The Town reserves the right to consider a separation of employment for any employee who is out on workers' compensation for any reason for more than 12 (twelve) months.

Section 4-45 Unemployment Compensation

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

Section 4-46 Tuition Assistance Program

Permanent full-time employees who have completed initial probation may apply for tuition reimbursement for courses taken on their own time, which will improve their skills for their current job or prepare them for promotional opportunities with the Town. Tuition, registration fees, laboratory fees, and student fees are eligible expenses. Satisfactory completion of the courses will be required for reimbursement. Requests for tuition assistance shall be submitted to the Human Resources Department prior to course registration and are subject to the review and approval of Department Head and Town Manager. Tuition assistance funds are available only as budgeted annually.

Section 4-47 Legal Defense of Employees (May need revision)

The policy of the Town is to provide for the defense of all employees for acts or omissions allegedly committed while in the course and scope of their employment or duty as an employee of the Town.

Upon request made by or on behalf of any employee or former employee, the Town shall provide for the defense of any civil or criminal action or proceeding brought against them either in their official capacity or individual capacity, or both, on account of any act done or omission made, or any act allegedly done or omission allegedly made in the scope of their employment or duty as an employee of the Town. The defense may be provided by the Town by its own counsel, or by employing other counsel, or by purchasing insurance that requires that the insured provide the counsel. Limits on the amount of defense expenditures may be set by the Town Manager, in relation to prevailing local rates in consideration of available budget funding.

ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

Section 4-48 Policy

The policy of the Town is to provide annual leave, sick leave, and holiday leave to all permanent full-time and part-time employees. Leave is provided in pro-rated amounts to employees working less than the standard thirty-seven and one-half (37 ½) hours per week. Leave balances should be printed on direct deposit stubs and provided to employees with each pay stub.

Section 4-49. Holidays

The following days, and other such days as the Board of Aldermen may designate, are holidays with full pay for permanent employees.

New Year's Day	Independence Day
Martin Luther King Jr.'s Birthday	Labor Day
Easter Friday	Thanksgiving Thursday & Friday
Memorial Day	Christmas Day (3 working days)

When any recognized holiday other than Christmas Day falls on a Saturday or a Sunday, Monday shall be observed in recognition of the holiday.

When Christmas Day falls on:

The Town observes:

Sunday	Thursday, Friday and Monday
Monday	Friday, Monday and Tuesday
Tuesday	Monday, Tuesday, and Wednesday
Wednesday	Tuesday, Wednesday and Thursday
Thursday	Wednesday, Thursday and Friday
Friday	Wednesday, Thursday and Friday
Saturday	Thursday, Friday and Monday

In order to receive pay for a holiday, an employee must be on paid status before and after the holiday.

Section 4-50 Holidays: Effect on Other Types of Leave

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

Section 4-51 Holidays: Compensation When Work is Required or Regularly Scheduled Off for Shift Personnel

Employees required to perform work on regularly scheduled holidays may be granted compensatory time off or be paid at their hourly rate for hours actually worked in addition to any holiday pay to which they are entitled. Sworn police personnel receive eleven (11) paid holidays as other Town staff; however, shift employees of the Fire Department, when they are to be compensated for holidays, shall receive the equivalent of five (5) 24-hour tour of duty days as holiday compensation.

Section 4-52 Annual Leave

Annual leave may be used for rest and relaxation, absences due to adverse weather conditions, and other reasons as the employee may deem necessary.

Section 4-53 Annual Leave: Use by Probationary Employees

Employees serving a probationary period following initial employment may accumulate annual leave but shall not be permitted to use such leave during the probationary period. Employees who need to take time off may do so upon the approval of the department head; however, any time off will be without pay.

Employees shall be allowed to take accumulated annual leave after successful completion of probation.

Section 4-54 Annual Leave: Accrual Rate

Annual leave shall be earned by persons employed permanent full-time in accordance with the following table. Persons employed permanent part-time shall earn annual leave in a prorated amount based upon this table:

Years of Service	Days Accrued Per Year	*Duty Days Per Year
Less than 2 years	12	6
2 but less than 5 years	14	7
5 but less than 10 years	17	8
10 but less than 15 years	20	9
15 but less than 20 years	23	11
20 years or more	26	12

***For shift employees of the Fire Department.**

Section 4-55 Annual Leave Pro-rated

Annual leave earned by permanent full-time and part-time employees with fewer or more hours than the basic work week shall be determined by the following formula:

- 1) The number of hours worked by such employees shall be divided by the number of hours in the basic workweek (37.5 for the standard Town department).
- 2) The proportion obtained in step 1 shall be multiplied by the number of hours of leave earned annually by employees working the basic workweek.
- 3) The number of hours in step 2 divided by 12 shall be the number of hours of leave earned monthly by the employees concerned, divided by 26 shall be the number of hours of leave earned per bi-weekly payroll period.

Section 4-56 Annual Leave: Maximum Accumulation

Annual leave may be accumulated without any applicable maximum until December 31 of each year. However, if the employee departs from service, payment for accumulated vacation leave shall not exceed 240 hours (14 duty days for shift fire personnel). Effective the last payroll in the calendar year, any employee with more than this maximum amount of accumulated leave shall have the excess accumulation transferred to their sick leave balance so that only 240 hours (14 duty days for fire

personnel) are carried forward to January 1st of the next calendar year. Annual leave is accumulated while the employee is in continuous service and in pay status, or while on workers' compensation leave.

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

Section 4-57 Annual Leave: Manner of Taking

Employees should request annual leave in advance of the requested leave time. Employees shall be granted the use of earned annual leave at those times designated by the Department Head which will least obstruct normal operations of the Town. Department heads are responsible for insuring that approved vacation leave does not hinder the effectiveness of service delivery. All eligible department heads (those having completed probation) shall be required to take annual leave equivalent to five (5) consecutive working days per year. An exemption to this section may be granted by the Town Manager.

Section 4-58 Annual Leave: Payment upon Separation or Retirement

An employee who has successfully completed six months of the probationary period will normally be paid for accumulated annual leave upon separation, subject to a 240 hour maximum (14 duty days for shift fire personnel), provided written notice is given to the supervisor at least two weeks in advance of the effective date of resignation (minimum of 30 days notice for department heads). Any employee failing to give the written notice required by this section shall forfeit payment for accumulated leave. The notice requirement may be waived by the Town Manager when deemed to be in the best interest of the Town.

An employee retiring under the provisions of the North Carolina Local Government Retirement System may have any excess annual leave (above 240 hours or 14 duty days for shift fire personnel) converted to sick leave and used for retirement service credit.

Section 4-59 Annual Leave: Payment upon Death

The estate of an employee who dies while employed by the Town shall be entitled to payment of all the accumulated annual leave credited to the employee's account.

Section 4-60 Sick Leave

Sick leave may be granted to an employee absent from work for any of the following reasons: sickness, bodily injury, temporary disabilities, required physical or dental examinations or treatment, or exposure to a contagious disease, when continuing work might jeopardize the health of others.

Sick leave may be used when an employee must care for a member of his or her immediate family who is ill or needs medical care; however, any sick leave that the employee receives under the shared leave program may be used only for the employee's personal illness or medical care.

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

using this provision.

With the permission of the department head, sick leave may be used for death in the employee's immediate family after bereavement leave has been exhausted (one day sick leave per occurrence for shift employees of the Fire Department and three days sick leave per occurrence for other permanent employees).

"Immediate family" shall be defined as father, mother, wife, husband, son, daughter, brother, sister, grandmother, grandfather, mother-in-law, father-in-law, daughter-in-law, son-in-law, half-sister, half-brother, stepmother, stepfather, stepson, stepdaughter, stepsister, stepbrother, or any other relative who is a guardian of the employee or a domestic partner.

Section 4-61 Sick Leave: Accrual Rate, Accumulation, and Manner of Taking

Sick leave shall accrue at a rate of one day per month of service or twelve days per year. Sick leave for permanent part-time employees shall be pro-rated as described in this Article. Shift employees of the Fire Department shall earn sick leave at the rate of four, twenty-four hour tour-of-duty days for each completed year of service.

Notification of the desire to take sick leave shall be submitted to the employee's supervisor prior to the leave or not later than two hours after the beginning of a scheduled workday. Failure to so notify the appropriate supervisor may result in disciplinary action.

The minimum amount of sick leave that may be taken is one hour, and leave must be taken in increments of one hour.

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

All sick leave accumulated by an employee shall end and terminate without compensation when the employee resigns or is separated from the Town.

Section 4-62. Transfer of Sick Leave from Previous Employer

The Town may accept the transfer of sick leave for employees from other employers who are participants of the North Carolina Local Government or State Employees Retirement System. The sick leave will be treated as though it were earned with the Town of Carrboro. The sick leave amount must be certified by the previous employer. This sick leave may be taken after the employee successfully completes the initial hire probationary period.

Section 4-63. Sick Leave: Medical Certification

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

- 1) Employees shall not be on duty when they might endanger their health or the health of other employees; and

- 2) There will be no abuse of leave privileges.

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

Section 4-64. Family and Medical Leave

The Town will grant up to 12 weeks of family and medical leave per twelve (12) months to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). The leave may be paid (coordinated with the Town's Vacation and Sick Leave policies), unpaid, or a combination of paid and unpaid. Unpaid leave will be granted only when the employee has exhausted all appropriate types of paid leave. Additional time away from the job beyond the 12 week period may be granted with the approval of the Town Manager.

To qualify for FMLA coverage, the employee must have worked for the employer 12 months or 52 weeks; these do not have to be consecutive. However, the employee must have worked 1,250 hours during the twelve month period immediately before the date when the FMLA time begins.

Family and medical leave can be used for the following reasons:

1. the birth of a child and in order to care for that child;
2. the placement of a child for adoption or foster care;
3. to care for a spouse, child, or parent with a serious health condition; or
4. the serious health condition of the employee.

A serious health condition is defined as a condition which requires inpatient care at a hospital, hospice, or residential medical care facility, or a condition which requires continuing care by a licensed health care provider. This policy covers illness of a serious and long-term nature resulting in recurring or lengthy absences. Generally, a chronic or long term health condition which results in a period of incapacity or more than three days would be considered a serious health condition.

If a husband and wife both work for the Town and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (not parent-in-law) with a serious health condition, the husband and wife together may only take a total of 12 weeks leave under FMLA.

An employee taking leave for the birth of a child may use paid sick leave for the period of actual disability, based on medical certification; afterward, the employee must use other types of leave for the remainder of the 12-week period.

An employee who takes leave under this policy will return to the same job or a job with equivalent status, pay, benefits, and other employment terms. The position will be the same or one that entails substantially equivalent skill, effort, responsibility, and authority.

Any employee requesting the use of leave must complete the appropriate FMLA form, submit it to the department head for approval by the department head and the Town Manager, or his designee.

Section 4-65 Medical and Family Leave Certification

In order to qualify for leave under this law, the Town requires medical certification. This statement from the employee's or the family member's physician should include the date when the condition began, its expected duration, diagnosis, and brief statement of treatment. For the employee's own health condition, it should state that the employee is unable to perform the essential functions of his/her position. For a seriously ill family member, the certification must include a statement that the patient requires assistance and the employee's presence would be beneficial or desirable.

This certification should be furnished at least 30 days prior to the needed leave unless the employee's or family member's condition is a sudden one. The certification should be furnished as soon as possible (no longer than 15 days from the date of the employee's request). The certification and request must be made to the department head and filed with the Human Resources Director.

The employee is expected to return to work at the end of the time frame stated in the medical certification, unless he/she has requested additional time in writing under the Town's Leave Without Pay policy.

Section 4-66 Leave Without Pay

A permanent full-time or part-time employee may be granted a leave of absence without pay for a period of up to twelve months by the Town Manager. The Manager will (as information) report any such leave granted an employee to the Board of Aldermen at the Board's next meeting after such leave has been granted. The leave shall be used for reasons of personal disability after both sick leave and vacation have been exhausted, sickness or disability of immediate family members, continuation of education, special work that will permit the Town to benefit by the experience gained or the work performed, or for other reasons deemed justified by the Town Manager.

The employee shall apply in writing to the supervisor for leave. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Town Manager. Upon returning to duty after being on leave without pay, the employee shall be entitled to return to the same position held at the time leave was granted or to one of like classification, seniority, and pay. If the employee decides not to return to work, the supervisor shall be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested, shall be considered a resignation.

An employee who is in a leave without pay status will not accrue retirement service credits.

Section 4-67 Family Medical Leave and Leave Without Pay: Retention and Continuation of Benefits

When an employee is on leave under FMLA (maximum of 12 weeks in a year), the Town will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work. If an employee chooses not to return to work for reasons other than a continued serious health condition, the Town will require the reimbursement of the amount paid for the employee's health insurance premium as well as that of any dependents during the FMLA leave period.

Other insurance and payroll deductions are the responsibility of the employee and the employee must make those payments for continued coverage of that benefit.

Any employee, upon the exhaustion of all leave benefits, will be placed on Leave Without Pay. An employee ceases to earn leave credits on the date leave without pay begins. The employee may

continue to be eligible for benefits under the Town 's group insurance plans at his or her own expense, subject to any regulation adopted by the Board of Aldermen and the regulations of the insurance carrier.

Section 4-68 Workers' Compensation Leave

An employee absent from duty because of sickness or disability covered by the North Carolina Workers' Compensation Act may elect to use accrued sick leave, annual leave, or compensatory time during initial waiting period for benefits. The employee may also elect to supplement workers' compensation payments after they begin with sick leave, annual leave, or compensatory time, provided that the combination of leave supplement and workers' compensation payments does not exceed normal compensation. An employee on workers' compensation leave may be permitted to continue to be eligible for benefits under the Town 's group insurance plans. When workers' compensation leave extends long enough for the waiting period to be reimbursed, the employee shall return the reimbursement check to the Town and have leave hours re-instated for all time covered by paid leave. In such cases, the Town will pay the employee for any unpaid time that is owed the employee.

- (a) All injuries arising out of, and during, the course of employment should be reported by the injured employee to the immediate supervisor as soon as possible. The supervisor or department head shall file an injury report to the Human Resources Director or her designee within twenty-four (24) hours of the time of the accident. The employee must use sick leave or annual leave for the first seven (7) days of disability. These days will be reimbursed only if the disability continued for more than twenty-one (21) days.
- (b) Before returning to work, a statement from the attending physician should be submitted to the Human Resources Director giving permission for the employee to resume regular duties.
- (c) Upon return to work, the employee's salary will be computed on the basis of the last salary plus any merit increment or other salary increase to which the employee would have been entitled during the disability covered by Workers' Compensation. While receiving workers' compensation benefits, an employee continues to earn annual leave sick leave, and petty leave; however, petty leave not used by the end of the calendar year will be lost. Retirement service credit is not earned during a workers' compensation period.

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

The Town reserves the right to consider a separation of employment for any employee who is out on workers' compensation for more than 12 (twelve) months.

Section 4-69 Military Leave

Regular employees who are members of an Armed Forces Reserve organization or National Guard shall be granted two calendar weeks per year for military leave with pay. On rare occasions due to annual training being scheduled on a federal fiscal year basis, an employee may be required to attend two periods of training in one calendar year. For this purpose only, an employee shall be granted an additional ten days of military leave during the same calendar year. If the compensation received while on military leave is less than the salary that would have been earned during this same period as a Town employee, the employee shall receive partial compensation equal to the difference. The effect

will be to maintain the employee's salary at the normal level during this period. If such duty is required beyond these ten workdays, the employee shall be eligible to take accumulated vacation leave or be placed in a leave without pay status, and the provisions of that leave shall apply. While taking military leave, the employee's leave credits and other benefits shall continue to accrue as if the employee physically remained with the Town during this period. Employees who are eligible for military leave have all job rights specified by the Vietnam Veterans Readjustment Act.

If the compensation received while on military leave is less than the salary that would have been earned during this same period as a town employee, the employee shall, for a maximum period of three months, receive partial compensation equal to the difference in base salary earned as a reservist or guardsman and the salary that would have been earned during this same period as a town employee. The effect will be to maintain the employee's salary at the normal level during this period.

Section 4-70 Reinstatement Following Military Service

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

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

Section 4-71 Civil Leave

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

Section 4-72 Petty Leave

Permanent employees shall be allowed seventy (70) minutes per month or fourteen hours per year petty leave with pay over and above sick leave or annual leave with pay. Employees may take petty leave in increments of fifteen minutes up to a maximum of four (4) hours, with the permission of the supervisor. Any time taken above four hours will be charged to annual leave, sick leave, or leave without pay as may be appropriate.

Petty leave shall be in addition to any other leave employees may earn and accumulate, but it will not be accumulative beyond the end of a calendar year.

Petty leave may be granted for personal matters that cannot be transacted outside of office hours, time lost reporting to work, medical appointments, and absences due to adverse weather conditions.

Section 4-73 Parental School Leave

All Town employees may take up to four hours of paid leave (annual or accrued compensatory leave) annually to involve him or her in school activities. This leave is subject to the three following conditions:

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

Section 4-74 Bereavement Leave

Full or part-time permanent employees are eligible for Bereavement Leave which may be used for death in the employee's immediate family as defined in Section 4-8 of this article, but may not exceed five days for any one occurrence. Additional leave time required for such occurrence may be charged to sick leave or other approved leave such as compensatory time when approved by the department head and/or Town Manager. Bereavement Leave for those not covered by the immediate family definition may be also charged to sick leave or compensatory time with the permission of the department head or Town Manager.

Section 4-75 Educational Leave

An employee that has completed one (1) year of employment with the Town may request educational leave at full or partial pay for a period not to exceed nine (9) months. The Town Manager may permit an employee to take courses of study that will better enable the employee to perform their duties. Educational leave that exceeds fifteen (15) consecutive working days shall be approved by the Board of Aldermen.

An employee granted extended leave with pay shall agree in writing to return to the service of the Town upon completion of training and remain in the employment of the Town for a period equal to twice the educational leave received; otherwise, the employee shall reimburse the Town for all compensation received while on educational leave.

Section 4-76 Shared Leave

An employee may donate accumulated hours of their own annual leave or sick leave to another employee who meets the criteria so that employee may be provided sick leave for his or her own personal illness under the Town's Shared Leave Program.

The recipient must meet the following requirements:

- has successfully completed the probationary period;
- has a personal medical condition that requires absence from work for more than three consecutive work days as certified by a physician;
- has exhausted all sick leave, annual leave, and compensatory leave time;
- requests, in writing, leave under the Shared Leave Program and receives approval to request

- shared leave through his or her department head;
- cannot receive more leave than needed for the medical condition as stated in writing by the employee's physician; and
- has not received shared leave within the past twelve months.

The donor must meet the following requirements:

- has successfully completed the probationary period;
- retains, after the donation, a combined annual leave and sick leave balance of no less than 240 hours;
- has not donated more than 100 hours of leave within the past 12 (twelve) months;
- agrees to donate a minimum of four (4) hours; and
- understands that the leave is irrevocable.

Employees out on workers' compensation leave or employees receiving disability insurance benefits are not eligible for shared leave. Leave is available for use on a current basis and is not retroactive beyond the current pay period. Leave donations will be kept confidential unless otherwise requested by the donor.

ARTICLE VIII. SEPARATION AND REINSTATEMENT

Section 4-77 Types of Separations

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

Section 4-78 Resignation

An employee may resign by submitting the reasons for resignation and the effective date in writing to the immediate supervisor as far in advance as possible. In all instances, the minimum notice requirement is two weeks; 30 days notice is required for department heads. Failure to provide minimum notice shall result in forfeit of payment for accumulated annual leave unless the notice is waived upon recommendation of the Department Head and approval by the Town Manager.

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

Participation in a work stoppage or strike against the Town by an employee(s) may be considered a resignation by the employee.

Section 4-79 Reduction in Force

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

Section 4-80 Disability

An employee who cannot perform satisfactorily the essential duties because of a physical or mental disability may be separated. The employee or the Town may initiate action. In all cases, such action must be accompanied by medical evidence acceptable to the Town Manager. If and to the extent that an employee has disability as defined by the ADA, and if requested by the employee, the Town and employee must fully explore reasonable accommodation(s) which might permit the employee to perform the essential duties of the employee's position. Reasonable accommodation may include transfer to another position in which the employee is able and qualified to perform. The Town may require an examination, at the Town's expense, to be performed by a physician of the Town's choice.

The Town reserves the right to consider a separation of employment for any employee who is out on disability for any reason (including workers' compensation) for more than 12 (twelve) months. To the extent possible, the Town will work with the employee to reach a decision that is mutually agreeable.

Section 4-81 Voluntary Retirement

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

the retirement plan.

Section 4-82 Death

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

Section 4-83 Dismissal

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

Section 4-84 Reinstatement

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

Section 4-85 Rehiring

An employee who resigns while in good standing may be rehired with the approval of the Town Manager, and may be regarded as a new employee, subject to all of the provisions of rules and regulations of this policy. An employee in good standing who is separated due to a reduction in force shall be given the first opportunity to be rehired in the same or a similar position.

ARTICLE IX. DISCIPLINARY ACTIONS AND NONDISCIPLINARY ACTIONS

Section 4-86 Disciplinary Action: By Whom Imposed and Reasons Therefore

(a) Disciplinary action may be taken against an employee by that employee's department head, except that only the manager may dismiss an employee or suspend an employee without pay for more than five working days. Notwithstanding the foregoing, employees who are exempt from the overtime provisions of the Fair Labor Standards Act may be suspended without pay for job performance involving any serious violation of safety rules relating to the prevention of serious danger to the Town's property, to other employees, or to the general public. For performance problems not relating to safety, exempt employees may be suspended also; however, accrued annual leave may be reduced.

(b) Subject to Subsection 4-21, disciplinary action may be taken against an employee only for cause.

Section 4-87 Warnings Before Disciplinary Action

Whenever practicable, before disciplinary action is taken, an employee should be counseled that a particular course of conduct or pattern of performance will result in disciplinary action, and efforts should be made to assist the employee in improving his conduct or performance.

Section 4-88 Notification of Disciplinary Action

Before any discipline is imposed, an employee shall be informed by his department head of the precise nature of the discipline, the reasons for it, and the date and time the discipline is to become effective. Whenever practicable this notification shall be given in writing before the discipline is imposed, and if this is not possible, then this written notification shall be given to the employee as soon thereafter as is feasible.

Section 4-89 Effective Date and Time of Disciplinary Action

Except when a department head determines that any delay in the imposition of discipline would diminish its effectiveness or would be detrimental to the town, town employees, or others, the department head shall provide the employee with at least three days notice before proposed disciplinary action is to take effect.

Section 4-90 Recommendations to Manager of Disciplinary Actions Including Dismissal

(a) A department head may recommend to the Manager that disciplinary action that is solely within the prerogative of the Manager (including dismissal) be taken. Such a recommendation shall be made in writing, and a copy shall be given to the affected employee. If the recommendation is for dismissal, it shall contain a proposed dismissal date, which shall be not less than two weeks after a copy of the recommendation is furnished to the affected employee.

(b) If a department head suspends an employee without pay for three days and recommends to the Manager that the employee be dismissed, the Manager may, upon the recommendation of the department head, continue the suspension without until the termination date or pay pending the outcome of the appeal (if any). The Manager shall notify the employee and the department head in writing at the earliest possible time that the suspension is being confirmed.

Section 4-91 Appeal of Disciplinary Action; Referral to Personnel Advisory Committee

(a) An employee may appeal any disciplinary action or proposed disciplinary action to the Manager. The appeal may be decided by the Manager after a review of any written documents submitted by the appellant and the department head who imposed the discipline, or at the request of the appellant, department head, or Manager, a hearing may be held by the Manager in accordance with this section. If requested in writing by the employee, the hearing shall be open to the public, except that the manager may close the hearing, or portions of the hearing, if and to the extent that the manager concludes that such closure is necessary to preserve the personnel privacy rights of any employee, including without limitation the department head who has recommended or imposed the discipline that is the subject of the appeal.

(b) An appeal may be perfected within three days after the employee receives notice of the proposed disciplinary action, or, if the disciplinary action becomes effective immediately within three days after such disciplinary action becomes effective, unless extenuating circumstances prohibit meeting the three-day deadline. An appeal is perfected by filing with the Manager a written notice of appeal, briefly stating the action appealed from and the reasons for the appeal. A copy of this notice of appeal shall be furnished to the department head imposing or recommending the discipline.

(c) If the discipline has not taken effect at the time an appeal is perfected, then the appeal stays the disciplinary action until after the appeal is decided. However, this shall not preclude the Manager from extending a suspension without pay under Section 4-90(b).

(d) An appeal shall be considered by the Manager at the earliest convenient time, but generally not later than ten days after the appeal is filed. If a hearing is requested, the employee shall be given at least three days notice of the date, time, and location of the hearing.

(e) If a hearing is requested, then, unless the appellant is a department head, the department head shall present the reasons why the discipline is justified. The employee shall have an opportunity to ask questions, present evidence, or otherwise attempt to convince the Manager that the disciplinary action is not justified. When the appellant is a department head, the Manager shall present to the department head the reasons for the discipline, and the department head shall then have an opportunity to respond in the same manner as other appellants.

(f) With respect to appeals of disciplinary actions, if the Manager chooses to do so, the Manager may obtain the recommendation of the non-employee members of the Personnel Advisory Committee (PAC) created pursuant to Section 4-98 before deciding the appeal. The Manager shall furnish to the PAC such information as is available to him regarding the appeal, and if an oral hearing is provided, the members of the PAC shall have the opportunity to be present. The PAC shall make its recommendation to the Manager within the time frame specified by the Manager.

(g) The appellant may be represented by counsel if the Manager is notified not later than five days prior to the date of the hearing. If the employee intends to be represented by counsel, the department head shall be so notified by the Manager and the town may then provide counsel to the department head if the department head so requests. The Manager shall attempt to notify the employee at least three days prior to the hearing if the department head will be represented by counsel.

(h) The Manager shall decide the appeal as expeditiously as possible, and, in particular, every effort shall be made to decide any appeal of disciplinary action that has not yet taken effect

before the proposed effective date of such action. The Manager may extend the proposed effective date of disciplinary action in order to meet this objective.

(i) The Manager may take any action with respect to disciplinary appeals that he deems appropriate consistent with this chapter, including (but not limited to) increasing or decreasing the disciplinary sanction. The Manager shall inform the appellant of his or her decision and the reasons for it. The Manager's decision shall be final.

(j) If an employee has been suspended without pay and the Manager finds the suspension to have been unwarranted, in whole or in part, then the employee shall be entitled to receive lost wages and benefits accordingly.

(k) If the Manager sustains an employee's appeal (at least in substantial part) then the Manager may recommend that the Board of Aldermen authorize partial or full payment of fees incurred by the employee for representation.

Section 4-92 Nondisciplinary Suspension

(a) With the approval of the Manager, a department head may impose a nondisciplinary suspension (with or without pay) on any employee who has been accused of some action which, if the accusation is substantiated, would constitute cause for disciplinary action. There may be no appeal from nondisciplinary suspension.

(b) If a nondisciplinary suspension is imposed, the employee shall be notified in writing:

(1) That the suspension is nondisciplinary ;

(2) That the suspension is temporary in nature (for example, pending the outcome of a criminal trial or internal investigation);

(3) What the accusations or allegations are that triggered the nondisciplinary suspension; and

(4) Why a nondisciplinary suspension has been imposed on this particular case.

(c) If it is determined that the charges are not substantiated, then the employee shall be reinstated with full recovery of any lost wages or benefits. If an employee has been accused of a criminal offense but is not convicted of the offense accused, the outcome of the criminal process may be considered (but shall not be determinative) in determining whether the accusations leading to the suspension have been substantiated.

(d) If it is determined that the charges are substantiated, then appropriate disciplinary action may be taken in accordance with this article. If any employee has been suspended without pay pending the outcome of the investigation and the employee is not dismissed and the discipline imposed is less severe than the suspension without pay the employee has already experienced, the employee may be entitled to partial recovery of lost wages or benefits, according to the discipline imposed.

Section 4-93 Department Heads

The Manager may take disciplinary action against or impose nondisciplinary suspensions upon department heads. In taking such actions, the Manager shall follow the procedures set forth in

Article IX for disciplinary actions or nondisciplinary suspensions initiated by department heads to the maximum extent feasible (i.e., steps involving department head recommendations to the Manager do not apply).

Section 4-94. Board Access to Records of Disciplinary Actions

Pursuant to G.S. 160A-168(c)(5), the mayor or a member of the board of aldermen may have access to the records of any disciplinary action that is referred to the Personnel Advisory Committee. A request for access shall be made to the Town Manager and may be made at any time after the completion of the disciplinary appeals process.

Article X GRIEVANCE PROCEDURE

Section 4-95 Purpose and Scope

(a) The purpose of this grievance procedure is to:

- (1) Provide employees a procedure by which their complaints can be considered rapidly, fairly, and without reprisal, and by which their concerns can be addressed at the lowest possible level.
- (2) Encourage employees to express themselves about the conditions of work which affect them as employees.
- (3) Promote better understanding of policies, practices, and procedures that affect employees.
- (4) Instill in employees confidence that personnel actions are taken in accordance with established, fair, and uniform policies and procedures.
- (5) Increase supervisory responsibility for maintaining effective communication with employees.

(b) The procedures set forth in this article for the consideration of grievances do not apply to grievances resulting from:

- (1) Disciplinary actions (the appeal process for disciplinary actions is set forth in Section 4-91 this chapter).
- (2) Oral reprimands or oral performance evaluations.

Section 4-96 Procedure

(a) **In General.** Subject to subsections (f) and (g), when an employee or group of employees has a grievance, the successive steps described in subsections (b) through (e) are to be taken. The number of days indicated at each level should be considered as the maximum number of working days unless provided for otherwise, and every effort shall be made to expedite the process. However, when mutually agreed upon, the time limits given below may be extended. Unless a time extension is agreed upon or extended under this section, a grievance may be dismissed summarily if not timely filed.

(b) **Informal Discussion.** Before filing a formal grievance, the employee or group of employees must have discussed the problem with the supervisor. This assures that the supervisor knows about and has had the opportunity to consider and investigate the problem and to resolve the problem informally. The employee must request this meeting within five working days of the event or condition complained of, except that ongoing conditions are not subject to this deadline.

(c) **Step One.** The first step of the formal grievance procedure is for the employee to file a written notice with the immediate supervisor. This notice must be filed within five working days of the employee's meeting with the supervisor to discuss the issue.

(1) Grievances may be filed by completing step 1 of a Grievance Form (copies of which shall be available from the Human Resources Director), or may be filed in letter or narrative form. In either case, the grievance must, to the extent reasonably possible, be specific, stating the problem or complaint and what solution or remedy the employee expects. (The Human Resources Department will assist an employee in correct filing procedures, if desired.)

(2) The supervisor will investigate the matter and respond in writing to the employee within five working days of receipt of the formal grievance. The grievance and the supervisor's response shall be forwarded to the Human Resources Director by the supervisor. The supervisor may seek the assistance of the Human Resources Director or department head in complying with this requirement.

(d) **Step Two.** If the grievance is not settled to the employee's satisfaction at step 1, the employee may proceed to step 2. The employee must file with the department head either the Grievance Form, with the step 2 section completed, or a letter or narrative, within five working days of receiving the supervisor's written response under step one.

(1) If the solution or remedy desired has altered since the initial grievance, or if there is a particular area of disagreement with the supervisor's written response, this should be specified by the employee along with a request for consideration of the grievance by the department head.

(2) The department head will review the issues in the grievance, meet with the employee, and respond in writing to the employee within five working days of the meeting. The grievance and the department head's response shall be forwarded to the Human Resources Director by the department head.

(e) **Step Three.** If the grievance is not settled to the employee's satisfaction at step 2, the employee may proceed to step 3, appeal to the Town Manager. The employee must file with the Town Manager, using either the Grievance Form with step 3 section completed, or a letter or narrative, within ten working days of receipt of the department head's written response.

(1) As in previous steps, the employee should be specific as to the solution or further remedy desired and concerning particular points of disagreement with supervisory and department head responses.

(2) The Manager will investigate the matter, meet with the employee and department head, either separately or together, and respond in writing within ten working days of receipt of the formal grievance, unless the Manager refers the grievance to the mediation process and/or the Personnel Advisory Committee.

(f) **Discrimination.** If a grievance involves a claim of discrimination based on age, race, color, religion, sex, national origin, political affiliation, non-disqualifying disability, sexual orientation, marital status, gender identity, or gender expression (including a claim of sexual harassment), informal discussion shall not be required, and the employee may initiate the grievance procedure at step two if the supervisor's conduct is involved in the grievance or at step three if the department head's conduct is involved in the grievance. Alternatively, claims of racial or sexual discrimination may be reported by any employee directly to the Human Resources Director, who may initiate a grievance on behalf of the employee or take any other action deemed appropriate.

(g) **When Supervisor Is Department Head or Manager.** If the immediate supervisor of the aggrieved employee is a department head, then the employee may proceed directly to step two of the grievance procedure within five days after meeting with the department head for the informal discussion required under section 4-96(b). If the aggrieved employee is a department head, then the employee may proceed directly to step three of the grievance procedure within five days after meeting with the manager for the informal discussion required under section 96(b).

(h) **Board Access to Records of Grievances.** Pursuant to G.S. 160A-168(c)(5), the mayor or any member of the board of aldermen may have access to the records of any grievance that is referred to the personnel advisory committee. A request for access shall be made to the Town Manager and may be made at any time after the completion of the grievance appeals process.

Section 4-97 Mediation.

(a) Any grievance may be referred to a mediation process under the following circumstances:

(1) After a grievance has been filed under step one or two of the grievance process, and before a decision has been reached by the supervisor or department head, respectively, the Town Manager may refer the grievance to the mediation process as set forth below.

(2) After a grievance has been filed under step three of the grievance process, the Manager, may elect to refer the grievance to the mediation process as set forth below.

(b) For purposes of this section, the term mediation refers to a process in which a trained mediator seeks to help the parties to resolve their differences in a mutually acceptable fashion. (The mediator does not impose a solution or issue a "decision.")

(c) The town shall arrange for qualified mediators to be available to perform the mediation services called for under this article. All expenses of such mediation services shall be borne by the town.

(d) While mediation is going on, deadlines established for various stages of the grievance process are suspended. Such deadlines will come into play again if the grievance is not settled by mediation, except that in no case shall a deadline for the next step in the grievance process occur less than three days after the date of the mediator's notification to the employee and department head or supervisor of the end of the mediation process.

(e) If mediation resolves the grievance, the mediator will draft a document outlining the

terms of the agreement. The document will be signed by the parties and by the mediator and forwarded to the Human Resources Director. At this point, the grievance will be considered closed. If the parties do not reach agreement, the mediator will notify the Human Resources Director and the parties themselves that the mediation process is completed. Unless the employee then withdraws the grievance, the grievance process shall continue as set forth in Section 4-97.

(f) The mediation process is confidential, and mediators may not disclose information discussed during mediation sessions. Documents generated as part of the mediation process will not be admissible as evidence in future proceedings and are considered confidential. Additionally, no offers of compromise made during mediation may be referred to in subsequent formal processing of the grievance.

Section 4-98. Personnel Advisory Committee

(a) The Manager shall appoint a Personnel Advisory Committee (PAC) consisting of five members, who shall serve at the pleasure of the Manager. Three members shall be persons who are not currently employed by the town, and the Manager may also appoint alternative non-employee members to sit in the absence of other non-employee members. Two members of the PAC shall be town employees, and the Manager may also appoint alternate employee members to sit in the absence of employee members.

(1) In making appointments to the PAC, the Manager shall endeavor to (i) create a committee whose membership is reflective of the diversity within the town's workforce and the Carrboro community; and (ii) appoint at least one member with training or experience in personnel matters.

(2) The members of the PAC shall select one of their members to serve as chair and one or more members to act as chair in the absence of the chair.

(3) The members of the PAC shall strictly observe the requirements of the Personnel Privacy Act (N.C.G.S. 160A-168). Any violation of this act (in addition to other penalties) shall constitute grounds for the manager to remove the offending member from the PAC.

(b) Among other duties that may be assigned by the Manager, the PAC shall advise the Manager in making decisions on grievances in accordance with this section.

(1) Type 1 grievances may be heard only by the three non-employee members of the PAC, while type 2 grievances may be heard by the full PAC.

(2) The Manager shall determine whether a grievance is a type 1 or type 2 grievance at the time the grievance reaches step 3.

(3) With respect to type 2 grievances, an employee member of the PAC may not hear a grievance originating from the department where the employee member is employed.

(c) When a grievance has been filed under step three of the grievance process in accordance with Section 4-96, the Manager may refer the grievance to the PAC within five days after it has been filed. Generally, the Manager shall refer a grievance to the PAC only after an attempt has been made to resolve the grievance through mediation.

(d) When the PAC has been called upon to advise the Manager in connection with a grievance:

(1) The manager shall provide to the PAC the same written information that is available to him or her regarding the grievance, and the PAC shall be present during the hearing of the grievance by the Manager and may participate in that hearing.

(2) The deadlines set forth in Section 4-96 are suspended from the time the Manager refers the grievance to the PAC until the date the PAC provides its recommendation to the manager.

(e) The PAC shall provide its written recommendation to the Manager within the time frame specified by the Manager.

ARTICLE XI. RECORDS AND REPORTS

Section 4-99 Personnel Records Maintenance

The Manager shall maintain such personnel records as are necessary for the proper administration of the personnel system. The Town shall maintain in personnel records only that information that is relevant to accomplishing personnel purposes.

Section 4-100 Personnel File

(a) The following information on each employee shall be maintained in the employee's personnel file and shall be open to public.

- (1) Name;
- (2) Age;
- (3) Date of original employment or appointment to Town service;
- (4) Current position title;
- (5) Current salary;
- (6) Date and amount of most recent change in salary;
- (7) Date and amount of most recent promotion, demotion, transfer, suspension, separation, or other change in status; and
- (8) Office or department to which the employee is currently assigned.

(b) Other information maintained in an employee's personnel file may be made available only in accordance with Section 4-102.

Section 4-101 Access to Personnel Files

As required by G.S. 160A-168, any person may have access to the information listed in Section 4-100 for the purpose of inspection, examination, and copying, during the regular business hours, subject only to such rules and regulations for the safekeeping of public records as the Board may adopt. Access to such information shall be governed by the following provisions:

- (1) All disclosures of records shall be accounted for by keeping a written record (except for authorized persons processing personnel actions) of the following information: name of employee; information disclosed; date information was requested; name and address of the person to whom the disclosure is made; and purpose for which information is requested. This information must be retained as a permanent part of the employee's personnel file.
- (2) Upon request, records of disclosure shall be made available to the employee to whom it pertains.
- (3) An individual examining a personnel record may copy the information; any available photocopying facilities may be provided and the cost may be assessed to the individual.
- (4) Any person denied access to any record shall have a right to appeal compliance with these provisions by application to a court for a writ of mandamus or other appropriate relief.

Section 4-102. Confidential Information Contained in Personnel Files

All information contained in a town employee's personnel file other than the information listed in Section 4-100 will be kept confidential in accordance with the requirements of G.S. 160A-168 and shall be open to public inspection only in the following instances:

- (1) The employee or his duly authorized agent may examine all portions of his personnel file, except (1) letters of reference solicited prior to employment, and (2) information concerning a medical disability, mental or physical, that a prudent physician would not divulge to his patient.
- (2) A licensed physician designated in writing by the employee to examine the employee's medical record.
- (3) A town employee having supervisory authority over the employee may examine all material in the employee's personnel file.
- (4) By order of a court of competent jurisdiction, any person may examine all material in the employee's personnel file.
- (5) An official of an agency of the state or federal government, or any political subdivision of the state, may inspect any portion of a personnel file when such information is deemed by the Manager to be necessary and essential to the pursuance of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution of the employee or for the purpose of assisting in an investigation of the employee's tax liability.
- (6) Each individual requesting access to confidential information will be required to submit satisfactory proof of identity.
- (7) A record shall be made of each disclosure and placed in the employee's file (except of disclosures to the employee and supervisor).

Section 4-103 Records of Former Employees

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

Section 4-104 Remedies of Employees Objecting to Material in File

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

Section 4-105 Internal Investigation Records

(a) Records relating to internal investigations into the conduct of employees shall be kept separate from personnel files. Subject to subsection (b), such records shall be kept strictly confidential and no person may have access to such records or disclosure any information contained therein without the explicit approval of the Manager.

(b) If an internal investigation is undertaken in response to a complaint by a citizen, then the Town may disclose to the complainant that an investigation was made and whether the town determined that the charge was founded or unfounded. The town may not disclose the nature of any disciplinary action taken except to the extent authorized by Section 4-100.

Section 4-106 Penalties

(a) As provided in G.S. 160A-168, any public official or employee who knowingly and willfully permits any person to have access to any confidential information contained in an employee personnel file, except as expressly authorized by the designated custodian, shall be guilty of a misdemeanor and upon conviction, shall be fined in an amount not to exceed five-hundred dollars (\$500.00).

(b) As provided in G.S. 160A-168, any person not specifically authorized to have access to a confidential personnel file who knowingly and willfully examines, removes, or copies any portion of such confidential personnel file shall be guilty of a misdemeanor and upon conviction shall be fined not to exceed five-hundred dollars (\$500.00).