



MONTGOMERY VILLAGE FOUNDATION, INC.

10120 APPLE RIDGE ROAD
MONTGOMERY VILLAGE, MARYLAND 20886-1000

(301) 948-0110 FAX (301) 990-7071 www.montgomeryvillage.com

May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: Dave Humpton, Executive Vice President

SUBJECT: MVF PERSONNEL COMMITTEE MEETING

The next regular meeting of the Personnel Committee will be held on Monday, May 20, 2019 at 7:00 p.m., located at the MVF administrative office.

If you are unable to attend the Personnel Committee meeting, please e-mail Juana Hernandez at jhernandez@mvf.org.

DH/jh

MVF PERSONNEL COMMITTEE

Monday, May 20, 2019

7:00 p.m.

Montgomery Village Foundation Administrative Office

AGENDA

1. Residents' Time
2. Call to Order
3. Approval of November 19, 2018 Minutes (enclosure)
4. Consider personnel assumptions for 2020 budget (enclosure)
 - Salary increase
 - Benefits
5. MVF Personnel Policies Manual updates (enclosure)
 - A. Whistleblower/Fraud Prevention
 - B. Harassment
 - C. Attire/Personal Appearance
 - D. Travel Reimbursement
 - E. Performance Appraisal and Progressive Disciplinary Guidelines
 - F. Complete MVF Personnel Policies Manual as reference (approved 02-23-2017)
6. Adjournment

MINUTES OF MEETING
MONTGOMERY VILLAGE FOUNDATION
PERSONNEL COMMITTEE

November 19, 2018

A regular meeting of the Montgomery Village Foundation Personnel Committee was held at 7:00 p.m. on Monday, November 19, 2018 at the MVF Administrative Office.

Members Present

Glenn Gargan, President
Pete Young, Past President
Laura Franke, Director

Members Absent

Peter Webb, Vice President

Others Present

Dave Humpton, Executive Vice President
Mike Conroy, Assistant EVP and Director of Communications
Tracy Skalitzky, Director of HR

1. Residents' Time

There were no residents present.

2. Call to Order

Mr. Gargan called the meeting to order at 7:15 p.m.

3. Review and Approve minutes from May 14, 2018 meeting

Mr. Young moved to approve the May 14, 2018 meeting minutes. The motion was seconded and approved 2-0-1. Mr. Young abstained.

4. Consider 2019 Employee Healthcare Proposal

Ms. Skalitzky gave a brief summary of the employee benefits proposed for 2019, highlighting a few changes. Mr. Humpton noted that MVF uses a broker to help identify the most cost-effective benefits that are in line with employee needs and desires.

- After consulting withour broker, staff proposed eliminating the Platinum plan and replacing it with a Silver Blue Choice HMO plan. Due to the high cost of the Platinum plan, no employees enrolled in this plan. The proposed plan is more appealing, with a lower deductible and lower per pay cost for the employee.
- Another proposed change was to eliminate the PPO Dental plan and replace it with Choice PPO plan. This plan has a wider network of providers, offers child orthodontia coverage with lower cost in premium to the employees.

Ms. Franke moved to approve management's proposal for 2019 health care and dental benefits and recommended that this motion be forwarded to the full Board for consideration. The motion was seconded and approved unanimously.

5. Information Items

Mr. Humpton noted both the 2019 Employee Benefits Snapshot, which is a listing of all benefits provided to qualified employees. and the MVF 401(k) Summary, which had recently been provided to the Audit Committee so that they would have an understanding of the MVF Retirement Plan while reviewing the 2017 401(k) Audit.

6. Closed Session

Mr. Young moved to adjourn the Open Session and go to Closed Session pursuant to Section 11B-111(4)(i), Real Property Annotated Code of Maryland at 7:30 p.m. to discuss matters pertaining to personnel. The motion was seconded and approved unanimously.

There being no further business, the meeting was adjourned at 7:15 p.m.

Tracy Skalitzky



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May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources
Daniel Salazar, CFO

SUBJECT: Proposed 2020 Employee Benefits

Background: MVF management believes it is important to pay fair salaries and provide affordable benefits for its employees. As most, if not all benefit costs are expected to increase year after year, staff proposes a merit increase and an increase in the benefit dollars available to employees each pay period. The DC Area CPI index is 1.6% and National rate is 1.9%. Below please find the proposed personnel benefits for the 2020 budget:

- Merit Increase: 3.00%** merit based salary pool for eligible staff. If approved, this will increase the 2020 wage base by approximately \$94,866, including year-round, part-time wages. In addition, and in-line with prior years, we continue to recommend an additional pool of funds to be available to respond to situations where it is necessary to retain key employees. We believe these proposed increases for the 2020 budget will allow management to continue to provide a fair wage for staff as well as retain employees. Previous years' merit increases were as follows:

- 2010 – 0%**
- 2011 – 2%**
- 2012 – 2%**
- 2013 – 2%**
- 2014 – 2.5% (.5% pool)**
- 2015 – 2.5% (.5% pool)**
- 2016 – 2.5% (.5% pool)**
- 2017 – 2.5% (.5% pool)**
- 2018 – 3.0% (.25% pool)**
- 2019 – 3.0%**
- 2020 proposed – 3.0%**

2. **Benefit dollars:** With the Q4 2018 renewal of MVF's healthcare plan (ACA year 5) for 2019, the premium increases were 8.39% for the HMO plan and an increase of 4.87% for the Gold plan. We implemented a new Silver Plan for 2019 therefore no premium increase is available. With great uncertainty in the healthcare markets and preliminary estimates from Carefirst at 7-10% for 2020, **management proposes an increase of \$20 (4.6%) to \$455 per pay period, per employee.** Increases over the last 9 years have ranged from 0% - 6.6%

Recent years' benefit dollar increases have been as follows:

2010 – \$280
2011 – \$15 to \$295, 5.4% increase
2012 – \$10 to \$305, 3.4% increase
2013 – \$20 to \$325, 6.6% increase
2014 – \$20 to \$345, 6.2% increase
2015 – \$0, remained \$345, 0%
2016 – \$20 to \$365, 5.8% increase
2017 – \$20 to \$385, 5.5% increase
2018 - \$25 to \$410, 6.5% increase
2019 - \$25 to \$435, 6.1% increase
Proposed 2020 – \$20 to \$455, 4.6% increase

3. **Health Reimbursement Account (HRA):** Established in 2010, MVF funds up to \$500 (\$1,000/family) of the employee's health plan deductible for those that are on an applicable HMO format plan. There are no recommended changes for 2020.
4. **Retirement Plan:** MVF matches up to 6% per eligible employee. There are no recommended changes for 2020.

Action Required: Approve management's recommendation for salary and benefits in the 2020 proposed budget.



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May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources

SUBJECT: Proposed Combined Whistleblower/Fraud Detection Policy (section of the MVF Personnel Policies Manual)

Background: MVF has had two policies to address fraud detection and ways to report misconduct. This has caused confusion over the years, and it has been determined that the two policies can be combined.

I have attached the old Fraud Detection/Prevention Policy from the MVF Personnel Policies Manual and the Whistleblower Policy that was approved by the MVF board in 2009.

The new policy combines the most important aspects of the two policies.

Action Needed: Approve a recommendation to forward the combined Whistleblower/Fraud Detection Policy to the MVF board for approval.

TS/rp
Enclosure

**MONTGOMERY VILLAGE FOUNDATION, INC. (“MVF”)
WHISTLEBLOWER/FRAUD PREVENTION POLICY**

A whistleblower as defined by this policy is an employee of Montgomery Village Foundation who reports an activity that he/she considers to be illegal, dishonest or unethical. The whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.

The purpose of the MVF Whistleblower/Fraud Detection Policy is to provide a systematic means for employees to report reasonable suspicions of fraud, waste, abuse, illegal or unethical behavior without fear of retribution, and provides the procedures for which an investigation will be conducted. MVF is committed to maintaining an ethical organization and has policies in place for standards of conduct for employees of the Montgomery Village Foundation, Inc.

Definitions: MVF defines fraud, waste and abuse as follows:

Fraud: A dishonest and intentional course of action that results in obtaining money, property or an advantage to which the individual committing the action would not normally be entitled.

Waste: The needless, careless or extravagant expenditure of MVF funds, incurring of unnecessary expenses or misuse of Foundation resources or property.

Abuse: The intentionally wrongful or improper use of MVF resources that can include the excessive or improper use of one’s position, in a manner contrary to its rightful or legally intended use.

Examples:

- Theft of cash or funds through electronic banking
- Theft of office supplies or equipment
- Personal use of MVF property
- Payroll falsification
- Receiving kickbacks from vendors
- Deliberate misstatement of accounting information
- False claim for Workers Compensation or accidents
- Billing for services not performed or for goods not delivered

Procedures:

Reporting: If an employee has knowledge or concern of illegal, unethical or dishonest fraudulent activity, the employee is to contact their immediate supervisor, HR Director, EVP or President of MVF Board of Directors. If the EVP is implicated in any way, the issue should be taken directly to the President of the MVF Board of Directors. If an employee is not comfortable with the reporting procedures outlined above, allegations of fraud may be reported via e-mail to fraud@mvf.org. This email will only be reviewed by the CFO.

Investigation: It is important for employees to recognize that bringing allegations of impropriety is serious business, and care must be taken in reporting the facts objectively and without malicious intent. All allegations will be substantiated by obtaining clear and compelling evidence and will be promptly investigated by management and, if appropriate, outside resources. All substantiated allegations will be reported to the Executive Committee within 45 days from the date when the initial allegation was made. Further action will be taken pursuant to the Executive Committee's decision.

Confidentiality: The confidentiality of the whistleblower will be maintained; however, the identity may be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal rights of defense. MVF will not retaliate against a whistleblower. This includes, but is not limited to, protections from retaliation in the form of an adverse employment action such as termination, compensation decrease, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact Human Resources immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrong doing that is alleged and investigated.

MVF encourages anyone having reasonable suspicions of fraud, waste, abuse, illegal or unethical behavior to report them.

How do we Prevent Fraud?

A system of internal controls has been implemented to prevent fraud from occurring. Key fraud prevention controls include:

- 1) Employees receive Ethics Training and some employees receive financial training for internal control, etc. for their department operations.
- 2) Our finance team follows the Generally Accepted Accounting Principles, which specify how transactions and other events are to be recognized, measured, presented and disclosed in financial statements.
 - a. Financials are audited on a yearly basis, which includes internal control testing. 401k is also tested every 3 years.
 - b. MVF has policies and procedures that are in place for key functions.
 - c. MVF performs monthly reconciliation for bank accounts and other balance sheet accounts.
- 3) Directors and Managers employ sound fraud risk management practices within all their departments for which they are responsible and ensure the effective operation of the following preventative controls
 - Adequate separation of duties (more than one employee is involved in key tasks).
 - Proper authorization procedures for transactions such as checks processed over \$2,500 require 2 signatures.
 - Invoices over \$1,000 require the EVP signature. Invoices over \$11,000 require Board approval.
 - Cash payments and checks are kept in a locked file cabinet. Cash payments are deposited three times a week at a local bank, and we perform daily reconciliations of cash/checks and credit card payments taken at the front office.

- Directors' signature required for invoices processed.
- Payroll and 401(k) separation of duties.
- Building is physically secured with locks.

MVF has taken steps to prevent fraud and abuse, and if you see or suspect any fraudulent activity, you must report it immediately.

**MONTGOMERY VILLAGE FOUNDATION, INC. (“MVF”)
WHISTLEBLOWER/FRAUD DETECTION/PREVENTION POLICY**

Purpose: The purpose of the MVF Whistleblower/Fraud Detection/Prevention Policy is to provide a systematic means for employees or others to report reasonable suspicions of fraud, waste and abuse without fear of retribution, and provides the procedures for which an investigation will be conducted. MVF is committed to maintaining an ethical organization and has policies in place for standards of conduct for employees, Board of Directors and Officers of the Montgomery Village Foundation, Inc. as well as a Harassment Policy that specifically addresses sexual or other types of harassment.

Definitions: MVF defines fraud, waste and abuse as follows:

1. **Fraud:** A dishonest and intentional course of action that results in obtaining money, property or an advantage to which the individual committing the action would not normally be entitled.
2. **Waste:** The needless, careless or extravagant expenditure of MVF funds, incurring of unnecessary expenses or misuse of Foundation resources or property.
3. **Abuse:** The intentionally wrongful or improper use of MVF resources that can include the excessive or improper use of one’s position, in a manner contrary to its rightful or legally intended use.

Procedures:

1. **Reporting:** MVF encourages an open door policy for the employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. Generally, an employee’s supervisor is in the best position to address an area of concern. If an employee has identified any fraud, waste or abuse, as defined above, they are encouraged to utilize the management chain of command and first discuss the issue with their supervisor. If an employee is not comfortable speaking to a supervisor, or not satisfied with the supervisor’s response, they are encouraged to speak with the next level of management, including the Executive vice President (“EVP”). If the EVP is implicated in any way, the issue should be taken directly to the President of the MVF Board of Directors.
2. **Investigation:** It is important for employees to recognize that bringing allegations of impropriety is serious business, and care must be taken in reporting the facts objectively and without malicious intent. All allegations of fraud will be substantiated by obtaining clear and compelling evidence and will be promptly investigated by management and, if appropriate, outside resources. All substantiated allegations will be reported to the Executive Committee within 45 days from the date when the initial allegation was made. Further action will be taken pursuant to the Executive Committee’s decision.
3. **Confidentiality:** MVF encourages anyone having reasonable suspicions of fraud, waste or abuse to report them. No employee will suffer in any way as a result of reporting reasonably held suspicions. If an employee is not comfortable with the reporting procedures outlined above, allegations of fraud may be reported via email to fraud@mvf.org. This email will only be reviewed by the Executive Vice President.

FRAUD DETECTION/PREVENTION POLICY

Policy: MVF is committed to maintaining an ethical organization and has implemented Standards of Conduct for Employees, Standards of Conduct for the Board of Directors and Officers of the Montgomery Village Foundation, Inc., and a Harassment Policy that specifically addresses sexual or other types of harassment. In addition, other procedures already in place, including internal accounting controls, risk assessment, and employee training, reduce the likelihood of an occurrence of fraud. An annual external audit of MVF financial records and analysis of internal controls are conducted, as required by law. This MVF Fraud Detection/Prevention Policy has been developed to provide a systematic way in which employees or others can report instances of fraud, waste and abuse without fear of retribution, and to put in place procedures for the investigation of fraud and related offenses, in the event that such abuses are identified or suspected.

Definitions: MVF defines fraud, waste and abuse as follows:

1. **Fraud:** A dishonest and intentional course of action that results in obtaining money, property or an advantage to which the individual committing the action would not normally be entitled.
2. **Waste:** The needless, careless or extravagant expenditure of MVF funds, incurring of unnecessary expenses or misuse of Foundation resources or property.
3. **Abuse:** The intentionally wrongful or improper use of MVF resources that can include the excessive or improper use of one's position, in a manner contrary to its rightful or legally intended use.

Procedures:

1. **Reporting:** MVF encourages an open door policy and encourages employees share their questions, concerns, suggestions or complaints with someone who can address them properly. Generally, an employee's supervisor is in the best position to address an area of concern. Therefore, if an employee has identified any fraud, waste or abuse, as defined above, he/she is encouraged to utilize the management chain of command and first discuss the issue with his/her immediate supervisor. If an employee is not comfortable speaking to a supervisor, or not satisfied with the supervisor's response, the employee is encouraged to speak with the next level of management, including the EVP. If the EVP is implicated in any way in the fraud, waste or abuse, then the issue should be brought directly to the attention of the President of the MVF Board of Directors.
2. **Investigation:** It is important for employees to recognize that bringing allegations of impropriety is serious business, and care must be taken in reporting the facts objectively and without malicious intent. All allegations of fraud will be substantiated by obtaining clear and compelling evidence and will be promptly investigated by management and, if appropriate, outside resources. All allegations meeting the fraud definition will be reported to the Executive Committee and Board of Directors, and appropriate corrective action will be taken as soon as possible.
3. **Confidentiality:** MVF wishes to encourage anyone having reasonable suspicions of fraud to report them. No employee will suffer in any way as a result of reporting reasonably held suspicions. With regard to confidentiality, if an employee is not comfortable with the reporting procedures outlined above, allegations of fraud may be reported via email to fraud@mvf.org. Suspected abuses may also be reported by non-employees following the same procedures outlined above.



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May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources

SUBJECT: Proposed Updated Harassment section of the MVF Personnel Policies Manual

Background: A review of the Personnel Policies Manual was completed, and it was determined that a section on bullying in the workplace should be added. Due to social media and harassment in general being one of the largest EEO complaints and lawsuits, we felt it necessary to update our policy.

After research into bullying in the workplace, we drafted a section on bullying to be added to the section on Harassment.

Action Needed: Approve a recommendation to forward the updated Harassment section of the MVF Personnel Policies Manual to the MVF board for approval.

TS/rp
Enclosure

HARASSMENT

The MVF does not condone or excuse harassment of any kind. MVF's policy prohibits employees from discriminating against or harassing their colleagues based on gender, sexual orientation, pregnancy, religion, mental or physical impairment, age, race, marital status, creed, color, or national origin. MVF will take immediate steps to address complaints of slurs or harassment based on the any characteristic protected by law.

This policy applies to all work-related settings and activities, whether inside or outside the workplace, and includes business trips and business-related social events. MVF's property may not be used to engage in conduct that violates this policy. This policy covers employees and other individuals who have relationships with MVF (e.g., vendors, volunteers, contractors, etc.).

Sexual Harassment

Sexual harassment is verbal or physical conduct of a sexual nature where (1) submission to such conduct is made a condition of employment, (2) submission to or rejection of such conduct is used as the basis for employment decisions, or (3) such conduct creates a hostile work environment. This may include, but is not limited to: making unsolicited and unwelcome written, verbal, physical and/or visual contact with sexual overtones; posting sexually explicit materials in the workplace or on one's computer, making unwelcome sexual advances; making reprisals, threats of reprisal, or implied threats of reprisal following a rejection of a sexual advance; engaging in implicit or explicit coercive sexual behavior which is used to control, influence, or affect the employment conditions and/or work environment of another employee; and offering favors of any type or employment benefits in exchange for sexual favors. The policy of the MVF is to provide a work environment free from sexual harassment, and offenders are subject to disciplinary action up to and including termination.

Other Forms of Harassment

It is also against MVF's policy for managers, fellow employees and employees of outside vendors, to engage in verbal or physical conduct that denigrates or shows hostility or aversion toward any individual because of his or her race, color, gender, sexual orientation, age, national origin, disability or any other protected category protected by applicable state, federal or local laws. Any act that (1) has the purpose or effect of creating an intimidating, hostile, humiliating, or offensive working environment; (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities is a violation of this policy and will be subject to disciplinary action up to and including termination from the MVF.

Workplace bullying

Workplace bullying is another form harassment that is not tolerated at MVF. Bullying is a pattern of repeated behavior that a reasonable person would find hostile and offensive. Bullying behavior may take many forms including physical, verbal, exclusion and gestures.

MVF considers the following types of behavior examples of bullying:

- **Verbal bullying.** Slandering, ridiculing or maligning a person or his or her family; persistent name-calling that is hurtful, insulting or humiliating language; using a person as the butt of jokes; abusive and offensive remarks.
- **Cyber bullying.** Circulating inappropriate or embarrassing photos or video via e-mail or social media, and insulting or humiliating comments.

- Physical bullying. Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person's work area or property.
- Gesture bullying. Nonverbal gestures that can convey threatening messages.
- Exclusion. Socially or physically excluding or disregarding a person in work-related activities



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MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources

SUBJECT: Proposed Updated Attire/Personal Appearance (section of the MVF Personnel Policies Manual)

Background: A review of the Personnel Policies Manual was completed and due to the adverse reactions that employees and others have to certain scents and odors, an update to the Attire/Personal Appearance section of the manual is being suggested. Many people suffer from multiple chemical sensitivities, which is considered a disability under the Americans with Disabilities Act. People may be affected with shortness of breath, nausea, difficulty with concentration, and upper respiratory symptoms when exposed to certain fragrances.

Action Needed: Approve a recommendation to forward the updated Attire/Personal Appearance section of the MVF Personnel Policies Manual to the MVF board for approval.

TS/rp
Enclosure

ATTIRE/PERSONAL APPEARANCE

MVF strives to create a safe and healthy workplace for all employees. Some employees and guests are sensitive to fragrances and this can trigger health issues to include migraines, nausea, fatigue, shortness of breath, skin irritation, etc., therefore the use of colognes, perfumes, and scented lotions should be subdued as much as possible.

Employees must be aware of their level of personal hygiene and take the necessary actions to limit any offensive odor through the use of breath mints, brushing one's teeth, and/or showering.

We encourage all employees who smoke to be mindful of others who do not and who may have adverse reactions to the smell of smoke on your person or personal belongings.

Montgomery Village Foundation was formed to serve its community and, as a result, has many visitors in and around the office throughout the year. Accordingly, it is important to maintain a professional appearance, avoiding extremes in attire in the office and while serving our customers around the community.

Employees of MVF perform various work assignments and, thus, manner of attire is varied based on work assignments and applicable safety requirements. Certain attire is prohibited during work hours regardless of work assignments. Such items include, but are not limited to, halters, beachwear, short-shorts, excessively tight or baggy clothing, and exceptionally revealing clothes. Flip flops are only allowed to be worn by staff associated with or working at the pools. Exceptions shall be made for clothing worn to satisfy religious or cultural obligations. Any clothing exception made must not pose a safety hazard.

MVF employees must present a professional image and should adhere to the following guidelines regarding attire, but supervisor discretion on attire/personal appearance should be followed if directed.

Recreation Custodial/Maintenance Staff: Employees performing these work assignments must wear staff shirts and jeans, along with work boots or tennis shoes. Temporary staff performing these work assignments, such as Youth Corps workers, shall wear a Youth Corps t-shirt, long pants and work boots or tennis shoes. Shorts may be worn only when the staff is not utilizing electronic equipment such as leaf blowers, string trimmers, etc.

Recreation Staff (Programs/Community Centers): Employees performing these work assignments shall wear staff shirts, jeans or khaki pants or shorts, and sneakers. Other appropriate clothing may include a sweat suit, and (when staff shirts are not available or required) sport shirts, blouses, polo shirts and t-shirts that are not considered offensive. For safety reasons, dangling or hoop earrings should not be worn. Recreation staff personnel who participate in field trips that involve swimming must adhere to the guidelines of swimwear issued to pool staff personnel. Cut-offs may not be worn as swimwear.

Recreation Staff (Pools): Employees performing these work assignments are issued MVF T-shirts. Employees are responsible for the purchase of their MVF approved swimwear.

Office Staff: Employees whose duties or work assignments are performed in front of customers or mainly in an office environment should dress in appropriate business attire and maintain a professional image. MVF does permit casual attire on Fridays as a weekly 'Dress Down Day', but employees shall still present a professional, well-groomed image. Appropriate casual clothing can include, but not limited to, jeans, khakis, regular shorts, or t-shirts that are not considered offensive. Baseball caps and small-size dress hats/caps are acceptable on casual days but head wraps, skull caps or caps of a like nature and large hats/caps may not be worn.



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May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources

SUBJECT: Proposed updated Travel Reimbursement Policy to be included as a section in the MVF Personnel Policies Manual

Background: For years, MVF has had a Travel Reimbursement Policy that was not included as part of the MVF Personnel Policies Manual. We believe it is important to update this policy and include it as a section in the manual. We did not include track changes because there were so many updates from the original policy.

Just as an FYI, very few staff members travel for conferences, etc. on an annual basis.

The updated policy clarifies meal allowances, reimbursable and non-reimbursable expenses and the process for reimbursement.

Action Needed: Approve the recommendation to forward the updated Travel Reimbursement Policy to the full board for approval.

TS/rp
Enclosure

TRAVEL REIMBURSEMENT POLICY

Purpose:

The purpose of the Travel Reimbursement Policy is to provide Montgomery Village Foundation staff with procedures for reimbursement of transportation, accommodations, and other travel-related expenses consistent with current business and professional practices to meet IRS guidelines. All expenses must be accounted for with detailed receipts. Travelers seeking reimbursement should incur the lowest reasonable travel expenses.

Authorization for Travel:

Travel for conferences, training or business is authorized through the normal budgeting process in departmental cost center budgets. Any travel not approved through the budgeting process must be authorized by the EVP.

Prior to travel arrangements being made, employees will obtain approval from their respective department heads. Department heads will obtain approval for their travel from the EVP.

Employees are responsible for making their own travel arrangements within the guidelines of the Travel Reimbursement Policy. MVF reserves the right to deny reimbursement of travel-related expenses for failure to comply with policies and procedures.

Definitions:

Local Travel: Local travel is generally within a 50-mile radius of the Montgomery Village Foundation and is normally by private auto, subway or bus. The employee is not usually required to remain away from home overnight.

Non-Local Travel: Travel that is outside of the 50-mile radius of Montgomery Village Foundation is normally by plane or train and requires an overnight stay.

Methods of Payment:

Employees who travel on MVF business will be reimbursed for expenses incurred while traveling.

An employee may obtain a travel advance by submitting a Check Request and obtaining proper authorization. The travel advance should not exceed the total projected cost of the travel. Expenses associated with the travel must be reconciled and substantiated within 15 days of the return date. Any employee who receives a travel advance must refund to MVF any funds that exceed the actual cost of the travel expenses at the time the travel expense reimbursement is submitted.

An employee may use the corporate credit card to secure airline, hotel and rental car reservations as well as registration fees,

Employees may pay for their travel and be reimbursed following the travel by submitting a Check Request. If this method is used, a full accounting must be submitted within 15 days of returning from travel.

Employees who have used their privately owned vehicles for local travel may submit their expenses on the Automobile Usage-Mileage Reimbursement Form. Receipts for parking and tolls are required.

Hotel:

MVF will reimburse lodging expenses at reasonable, single occupancy or standard business room rates.

Meals:

Below is the per meal allowance and specifically excludes other people than the MVF employee. Itemized receipts are required.

Breakfast \$15

Lunch \$20

Dinner \$30

Incidental Reimbursable Expenses:

Expenses including faxes, photocopies, internet charges, tips to waiters, porters, hotel staff, and Uber or taxi drivers incurred while on travel status, will be reimbursed

Transportation:

MVF will only reimburse coach-class fares unless otherwise approved by the EVP in advance.

When a personal vehicle is used for local transportation (50 miles or less) the Mileage Reimbursement form is required for reimbursement for all vehicle-related expenses, including gasoline, wear and tear, and personal auto insurance. The reimbursement rate is based on federal guidelines for the calendar year.

The traveler is entitled to be reimbursed for transportation between the airport terminal, lodging or business and places for meals. Airport parking or hotel garage parking, tolls, and the use of Uber, Lyft or taxis will be reimbursed with receipts.

MVF authorizes reimbursement for rental when necessary.

Non-Reimbursable Travel Expenses:

- Airline club memberships.
- Airline upgrades.
- Alcohol
- Meals for others
- Business class for domestic flights or first class for all flights.
- Child care, babysitting, house-sitting, or pet-sitting/kennel charges.
- Commuting between home and the primary work location.
- Costs incurred by **traveler's failure to cancel travel or hotel reservations in a timely fashion.**
- Evening or formal wear expenses.
- Haircuts and personal grooming.
- Laundry and dry cleaning.
- Personal entertainment expenses, including in-flight movies, headsets, health club facilities, hotel pay-per-view movies, in-theater movies, social activities and related incidental costs.
- Travel accident insurance premiums or purchase of additional travel insurance.
- Other expenses not directly related to the business travel.
- Entertainment activities such as golf outings and sightseeing tours

Vacation in Conjunction with Business Travel:

In cases in which vacation time is added to a business trip, any cost variance in airfare, car rental or lodging must be clearly identified on the Travel Reimbursement Form. MVF will not prepay any personal, incidental or meal expenses with the intention of being "repaid" at a later time, nor will any of the same be reimbursed during the vacation period.

Liability for Loss or Damage of Personal Property:

MVF does not assume responsibility for loss or damage to personal property including vehicles of staff members while in a travel status.

Accounting for Travel Expenses:

1. Requests for travel expense reimbursements must reflect a true and complete chronological history of each trip, including authorized leave.
2. Requests for travel expense reimbursements must be countersigned by the department head for employee travel. They must be submitted no later than 15 days after completion of travel.
3. Requests for travel expense reimbursements must contain documentation adequate to meet IRS regulations. Generally, this includes the amount, date, place

and purpose for the expenditure as well as supporting documentation such as receipts.

4. Requests for travel expense reimbursements must be approved by the EVP prior to payment. The EVP will determine what is considered "reasonable reimbursement" based on the individual circumstances.

Adopted by MVF Board - 10/22/92

Approved as revised by MVF Board of Directors, January 23, 1997

Approved as revised by MVF Board of Directors, January 28, 1999



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May 14, 2019

MEMORANDUM

TO: MVF Personnel Committee

FROM: David B. Humpton, Executive Vice President
Tracy Skalitzky, Director, Human Resources

SUBJECT: Proposed updated Performance Appraisal section and new Progressive Disciplinary Guidelines (section of the Personnel Policies Manual)

Background: A review of the Personnel Policies Manual was completed, and we've updated the Performance Appraisal section and added a section on Progressive Disciplinary Guidelines.

The new guidelines outline the actions to be taken by the supervisor in cases of an employee's unsatisfactory performance or misconduct.

Action Needed: Approve a recommendation to forward the updated Performance Appraisal section and new Progressive Disciplinary Guidelines to the MVF board for approval.

TS/rp
Enclosure

PERFORMANCE APPRAISALS

A performance appraisal is an opportunity to discuss performance expectations and results. Positive results as well as areas needing improvement will be discussed to provide a better understanding of each other's expectations, needs, and directions. This is also an opportunity to discuss responsibilities and plans for professional growth.

It is MVF's policy to evaluate an employee's performance at the end of their first six months. Following the first six months, an annual written review of each employee's performance provides the basis for any salary increase the employee may have earned. It is MVF's goal to have Supervisors and Managers initiate an annual performance review with all employees, but such reviews may be more frequent as necessary. Employees may request an informal performance review meeting at any time during the year. Employees are encouraged to comment verbally and/or in writing in response to their performance appraisal.

An employee who has completed the six-month probationary period and whose work performance is rated below standard in one or more areas may be evaluated at any time during the year and given a written performance improvement plan. A supervisor can institute a written Performance Improvement Plan, outlining specific objectives that must take place over a specified period of time. Failure to meet the outlined objectives will result in disciplinary action including the possibility of termination.

PROGRESSIVE DISCIPLINARY GUIDELINES

MVF recognizes the following guidelines to be followed if an employee's conduct or performance is deemed unsatisfactory. Supervisors may combine or skip steps depending on the facts of each situation and the nature of the offense.

Responsibilities of Employees:

It is the duty and the responsibility of every MVF employee to be aware of, and to abide by, existing policies and work rules as set forth in this manual or other policies.

It is also the responsibility of employees to perform their duties to the best of their ability and to the standards set forth in their job descriptions or as otherwise established.

Employees are encouraged to take advantage of all learning opportunities available and to request additional instruction when needed.

Responsibilities of Supervisors, Managers and Directors:

The immediate supervisor, manager or director should approach corrective measures in an objective manner.

If the employee's performance of assigned tasks is the issue, the supervisor, manager or director should confirm that proper instructions, appropriate orientation and adequate training have been given and that the employee is aware of job/performance expectations. Both single incidents and patterns of poor performance should be of concern.

If misconduct is the issue, the supervisor, manager or director should take steps to ensure that the employee is aware of the MVF's policies and regulations regarding employee conduct.

If, in either case, appropriate instruction or information was not communicated, the supervisor, manager or director should immediately develop a plan for delivering such instruction or information and should review the content with the employee.

Disciplinary actions to be taken, as necessary:

1: Counseling and verbal warning(s)

The employee's immediate supervisor meets with the employee to bring to his or her attention the issue that has been found to be unacceptable in the employee's performance or conduct. The supervisor states the nature of the problem or the violation of MVF policies and procedures and clearly outlines the expectations and steps the employee must take to improve his or her performance or resolve the problem. The supervisor documents the discussion, noting the date, event and recommended action, which is then given to the employee and placed in the employee's personnel file for future reference.

2: Written warning(s) and Performance Improvement Plan (PIP)

A written warning involves more formal documentation of the performance or conduct issues and the consequences if not corrected. A written warning is necessary when a verbal warning has not helped change unacceptable behavior or performance.

The department head, in consultation with human resources (HR), may place the employee on a formal Performance Improvement Plan (PIP) specifying actions that the employee must take to correct his or her performance, conduct or attendance within a probation period not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and work

requirements specified by the supervisor and the organization. The written warning may also include a statement indicating that the employee may be subject to additional discipline, up to and including termination, if immediate and sustained corrective action is not taken.

3: Recommendation for Termination of Employment

If verbal and written warnings fail to bring about a change in the undesirable performance or conduct, management may recommend terminating employment.

A supervisor's recommendation to terminate employment must be approved by HR, the department director and the EVP.

Exceptions to Progressive Disciplinary Guidelines

Illegal behavior or serious offenses, such as fighting, theft, insubordination, threats of violence, the sale or possession of drugs or abuse of alcohol on company property, etc., may result in immediate termination. MVF reserves the right to bypass the disciplinary steps and base its disciplinary action on the severity, frequency or combination of infractions when circumstances warrant immediate action. Employees may be suspended with or without pay, as determined by the EVP.

Documentation

The employee will be provided with copies of all progressive discipline documentation, including all PIPs. The employee will be asked to sign copies of this documentation attesting to his or her receipt and understanding of the corrective action outlined in these documents. Copies of these documents will be placed in the employee's official personnel file.



Montgomery Village Foundation

Personnel Policies Manual

Revised by the MVF Board of Directors 2/23/2017

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WELCOME TO THE MONTGOMERY VILLAGE FOUNDATION!

We hope that you will enjoy being a member of the MVF team and that our association will be long, pleasant and productive.

This manual has been prepared to help acquaint you with the Montgomery Village Foundation and what MVF offers by way of working environment and benefits, as well as what will be expected of you as an MVF employee. Please take the time to read this Personnel Policies Manual and be sure to ask your supervisor or the HR Manager for clarification if you have any questions.

ABOUT THE MONTGOMERY VILLAGE FOUNDATION

The planned community of Montgomery Village has been in existence since 1966. The Foundation is the community association that provides overall governance to the Village, caring for parkland, lakes, pools and recreational facilities, as well as providing recreational programs, architectural control and communications through our newsletter, *The Village News*, and much more.

We are a service organization, providing information, programs and services to the more than 40,000 residents of Montgomery Village.

Since service is our business, helpfulness, courtesy and efficiency are expected of us. And each and every Foundation employee is a vital part of the MVF team providing this service.

Whether you are working in the Foundation main office on Apple Ridge Road, at the MVF Maintenance facility, in the office at Thomas Choice Gardens, or as part of the recreation staff at our pools or community centers, you are all part of our service-oriented team.

Welcome aboard ... we're glad to have you with us!

EMPLOYEE CATEGORIES

MVF employees fall within one of the employment categories listed below, which define the nature of employment for each staff member. The definitions are intended to ensure that each employee receives the appropriate compensation and benefits programs commensurate with his or her employment status.

Full-time Employee - Employees who are regularly scheduled to work a **40-hour work week, year-round**. Full-time employees are eligible to participate in MVF's full line of benefit plans and are covered under MVF's paid leave policies. Full-time employees will receive the budgeted cash benefit dollar amount each bi-weekly payroll period.

Part-time Employees:

- **Benefit Eligible** - Employees who are regularly scheduled to work between **30 and 39 hours per week, year-round**. Part-time (benefit eligible) employees are eligible to participate in MVF's leave policies proportionate to their scheduled number of hours worked per week except in the case of holidays where they will get paid holiday pay for the exact number of hours regularly scheduled. MVF will provide part-time benefit eligible employees with a calculated cash benefit dollar amount that ensures MVF's health insurance policy remains affordable and in compliance with provisions of the Affordable Care Act each payroll period.
- **Non-benefit Eligible - Employees** who are regularly scheduled to work on average less than 30 hours per week annually. Benefits and paid leave, with the exception of Sick and Safe Leave, are **not** extended to this category of employee.

Temporary Employee - Employees who are hired to typically work, for a period of no more than 120 days in a calendar year, or for less than 8 hours per week. Temporary employees will be notified of a specified time period which is conveyed at time of employment. Employees performing the role of Recording Secretary are included in this category. No benefits and paid leave are extended to this category of employee.

Probation Status - Employees are in a probationary status during the first six months of employment. They are eligible for all benefits during this period based on their employment status and employee category. The probationary status can be extended for an additional six months.

Rehires- Former employees who resigned or retired from MVF in good standing and return to employment in a status of full-time or part-time benefit eligible employee would be eligible for an adjusted hire date if the rehire date is within 365 days of the termination date. If the date of rehire is longer than 365 days (one calendar year), the rehire date is not eligible for adjustment.

WORK SCHEDULE

Office Hours

The Foundation maintains hours of operation that will ensure efficient and effective service to its Members. The normal operating days and hours in MVF's offices are Monday through Friday, 8:30 a.m. to 5:00 p.m. Full-time employees are expected to work a 40 hour work week. This schedule allows employees one-half hour for lunch. Employees are expected to be at work during these hours unless approval is granted for a flexible work schedule. During certain weeks, the office is open on Saturday mornings, and certain employees are expected to work during those hours, as specified in their job descriptions.

The hours of operation at off-site locations may be different in accordance with the hours and/or needs of the employee's position, but a 40-hour work week is expected for all full-time employees.

TELECOMMUTING POLICY

With approval of the Executive Vice President, employees may telecommute as an alternative work arrangement. Decisions will be made on an individual basis.

OPEN DOOR POLICY

Employees are encouraged to share their concerns, seek information, provide input in order to address and resolve any problems/complaints through their immediate supervisor, and when necessary, progressively consult with the next levels of management, including the EVP.

Managers and supervisors are expected to listen to employees' concerns, to encourage input, and seek resolution to such problems/complaints.

EMPLOYEE STANDARDS OF CONDUCT

The MVF Board of Directors has adopted an Employee Standards of Conduct. As employees of Montgomery Village Foundation (MVF), each individual has an obligation to MVF and its Members to carry out his/her respective duties and responsibilities in an ethical, diligent, fair and honest manner. Each employee recognizes that he/she owes a duty of care and a duty of loyalty to MVF and its Members in connection with all aspects of his/her position, thereby requiring each employee to act in the best interests of MVF and its Members in his/her official capacity and not to act in a manner that may undermine the integrity or well-being of MVF and its Members.

Each employee is required to agree to the stipulations of the Employee Standards of Conduct Policy and Fraud Detection/Prevention Policy, which in essence constitute an "ethics code" that deals with how the employee should behave on the job, refrain from any conflict of interest and conduct oneself as an MVF employee. Signature of this manual is evidence that each employee has read, understands and agrees to all applicable policies.

Conduct and Working Environment

It is MVF's policy to encourage a congenial work environment of mutual respect and professionalism. Therefore, MVF expects all of its employees to conduct themselves honestly, lawfully, with sensitivity to others, and with due regard for the MVF's performance, its property, its employees, and its public image. Listed below are some (but not all) actions which do not meet MVF's standards of conduct and will not be accepted:

- Willful violation of any MVF rule, regulation or policy; any deliberate action that is obviously detrimental to MVF operations.
- Negligence or any careless action that endangers the life or safety of another person.
- Possession of dangerous or illegal firearms, weapons or explosives on MVF property.
- Possessing, consuming or being intoxicated or under the influence of alcohol or illegal drugs during working hours.
- Unauthorized possession, removal, or endangering of any MVF property or assets, or that of fellow employees, visitors, clients, etc.
- Insubordination or refusing to obey instructions properly issued by management pertaining to your work.
- Engaging in acts of violence or making threats of violence toward anyone on MVF premises or when representing the MVF.
- Threatening, intimidating or coercing fellow employees at any time.
- Any acts of discrimination and/or harassment (please refer to full harassment and section below).
- Willful falsification or deliberate misrepresentation or dishonesty.
- Revealing confidential or private information about MVF or other employees to unauthorized persons.
- Malicious gossip and/or spreading rumors; engaging in behavior designed to create discord and lack of harmony; deliberate disparaging of MVF and its employees to outside sources.
- Illegal conduct.

The above list is not intended to be all-inclusive and is for illustration only. Violation of these standards, or any other reasonable workplace behavior standards, whether on MVF's property or elsewhere, will not be tolerated, and appropriate disciplinary action may be taken.

EQUAL EMPLOYMENT OPPORTUNITY AND NON-DISCRIMINATION

As an Equal Opportunity Employer, it is the policy of MVF to base all personnel actions on merit and ability and no person shall be discriminated against on the basis of race, color, sex, sexual orientation, gender identity, ancestry, age, religion, national origin, marital or parental status, disability, or serious medical condition as well as other classifications protected by applicable state, federal or local laws.

The equal employment opportunity policy applies to all aspects of employment with the MVF including recruitment, selection, training, transfer, promotion, demotion, job benefits, disciplinary action, dismissal, layoff, compensation, social/recreational activities, and all other aspects of employment.

In addition, discrimination based on any of the classifications listed above, or on any other classification protected by federal, state or local law, is strictly prohibited by MVF. If you believe that you are the victim of discrimination, please follow the appeals procedure set forth in this manual for reporting claims of harassment. Any employee of MVF, whether supervisory or non-supervisory, who practices discrimination will be subject to disciplinary action up to and including termination from the MVF.

HARASSMENT

The MVF does not condone or excuse harassment of any kind. MVF's policy prohibits employees from discriminating against or harassing their colleagues based on gender, sexual orientation, pregnancy, religion, mental or physical impairment, age, race, marital status, creed, color, or national origin. MVF will take immediate steps to address complaints of slurs or harassment based on the any characteristic protected by law.

This policy applies to all work-related settings and activities, whether inside or outside the workplace, and includes business trips and business-related social events. MVF's property may not be used to engage in conduct that violates this policy. This policy covers employees and other individuals who have relationships with MVF (e.g., vendors, volunteers, contractors, etc.).

Sexual Harassment

Sexual harassment is verbal or physical conduct of a sexual nature where (1) submission to such conduct is made a condition of employment, (2) submission to or rejection of such conduct is used as the basis for employment decisions, or (3) such conduct creates a hostile work environment. This may include, but is not limited to: making unsolicited and unwelcome written, verbal, physical and/or visual contact with sexual overtones; posting sexually explicit materials in the workplace or on one's computer, making unwelcome sexual advances; making reprisals, threats of reprisal, or implied threats of reprisal following a rejection of a sexual advance; engaging in implicit or explicit coercive sexual behavior which is used to control, influence, or affect the employment conditions and/or work environment of another employee; and offering favors of any type or employment benefits in exchange for sexual favors. The policy of the MVF is to provide a work environment free from sexual harassment, and offenders are subject to disciplinary action up to and including termination.

Other Forms of Harassment

It is also against MVF's policy for managers, fellow employees and employees of outside vendors, to engage in verbal or physical conduct that denigrates or shows hostility or aversion toward any individual because of his or her race, color, gender, sexual orientation, age, national origin, disability or any other protected category protected by applicable state, federal or local laws. Any act that (1) has the purpose or effect of creating an intimidating, hostile, humiliating, or offensive working environment; (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely affects an individual's employment opportunities is a violation of this policy and will be subject to disciplinary action up to and including termination from the MVF.

COMPLAINT/APPEAL PROCESS

MVF prohibits retaliation against any employee who rejects, protests, or complains about harassment or discrimination of any type. A complaint procedure is available for employees to report all types of harassment or discrimination so that MVF can obtain knowledge of the event and take action as it determines to be appropriate. An employee who believes that he or she has been discriminated against or harassed in violation of law or MVF's policies stated in this manual shall promptly file a written complaint with their supervisor, Human Resources Department and /or EVP. The complaint shall be filed within (30) days of the conduct (whether act or omission) upon which the complaint is based. Every complaint of harassment or discrimination will be thoroughly investigated without bias or premature judgment. Such an investigation would include, but not be limited to, interviews with the complaining employee, the subject of the complaint, co-workers, former employees and other individuals who may have knowledge of the situation. A member(s) of MVF's management will pursue the investigation in

a timely manner. The investigation may also include a review of files and other tangible evidence as appropriate. Final disciplinary action will be taken in those cases where the complaint is determined to have merit.

Final decisions on disciplinary actions, if appropriate, will be made by the Executive Vice President. In situations of the Executive Vice President's involvement, final decision will be made by members of the MVF Board.

DISABILITY ACCOMMODATION

MVF complies with all applicable laws and regulations regarding persons with disabilities pursuant to the American Disabilities Act. MVF will make reasonable accommodations for otherwise qualified applicants or employees with disabilities in all employment practices, including, but not limited to, job application procedures, testing, hiring, advancement, assignments, workstations, shifts, schedules, leaves of absence, transfers, layoffs, promotions, demotions, discipline, discharge, compensation, fringe benefits, and training. If the employee is unable to return to duty to perform the essential functions of his/her position because of a physical or mental condition, including the continuation of a serious health condition, MVF's obligations under the Americans with Disabilities Act (ADA) will govern.

SAFETY AND SECURITY

Workplace safety is of utmost importance at MVF. Employees who see or become aware of any unsafe or potentially unsafe condition or circumstance are obligated to report the incident immediately to their supervisor or senior management. All employees are expected to follow general regulations, rules and practices of safety.

In the interest of health and safety, management reserves the right to inspect the workplace, including packages in work areas, etc.

COMMUNICATIONS

Electronic Communications

MVF maintains all e-mails, voicemail and telephone systems, computers, Internet access, and other business equipment (collectively called the "Systems") for the purpose of conducting the business of the organization. The devices and the data stored on these Systems, as well as the specialized software programs and systems developed for MVF's use, are the sole property of MVF and must be protected appropriately.

In general, access to any Systems component is restricted to authorized users. All employees of MVF are authorized users of business and telephone systems but employees authorized to use computer-based Systems are designated upon hire and are required to sign the "Employee Computer-Usage Policy" prior to accessing any Systems of MVF. MVF may monitor use of the Systems on a random or other basis to see that the Systems are being used for proper purposes.

Use of Cellular Phones

MVF provides cell phones to designated employees based on duties performed per position. MVF-issued cell phones should be utilized for business use only. Excessive personal use of an MVF-issued cell phone may result in removal of cell phone and further disciplinary action.

MVF understands that there are times during working hours that a non-business need may occur for use of personal cell phones. Limited use of personal cell phones is permitted but should be infrequent and may not be used in front of customers, clients, vendors, etc., of MVF.

ATTIRE/PERSONAL APPEARANCE

Montgomery Village Foundation was formed to serve its community and, as a result, has many visitors in and around the office throughout the year. Accordingly, it is important to maintain a professional appearance, avoiding extremes in attire in the office and while serving our customers around the community.

Employees of MVF perform various work assignments and, thus, manner of attire is varied based on work assignments and applicable safety requirements. Certain attire is prohibited during work hours regardless of work assignments. Such items include, but are not limited to, halters, beachwear, short-shorts, excessively tight or baggy clothing, and exceptionally revealing clothes. Flip flops are only allowed to be worn by staff associated with or working at the pools. Exceptions shall be made for clothing worn to satisfy religious or cultural obligations. Any clothing exception made must not pose a safety hazard.

MVF employees must present a professional image and should adhere to the following guidelines regarding attire, but supervisor discretion on attire/personal appearance should be followed if directed.

Recreation Custodial/Maintenance Staff: Employees performing these work assignments must wear staff shirts and jeans, along with work boots or tennis shoes. Temporary staff performing these work assignments, such as Youth Corps workers, shall wear a Youth Corps t-shirt, long pants and work boots or tennis shoes. Shorts may be worn only when the staff is not utilizing electronic equipment such as leaf blowers, string trimmers, etc.

Recreation Staff (Programs/Community Centers): Employees performing these work assignments shall wear staff shirts, jeans or khaki pants or shorts, and sneakers. Other appropriate clothing may include a sweat suit, and (when staff shirts are not available or required) sport shirts, blouses, polo shirts and t-shirts that are not considered offensive. For safety reasons, dangling or hoop earrings should not be worn. Recreation staff personnel who participate in field trips that involve swimming must adhere to the guidelines of swimwear issued to pool staff personnel. Cut-offs may not be worn as swimwear.

Recreation Staff (Pools): Employees performing these work assignments are issued MVF T-shirts. Employees are responsible for the purchase of their MVF approved swimwear.

Office Staff: Employees whose duties or work assignments are performed in front of customers or mainly in an office environment should dress in appropriate business attire and maintain a professional image. MVF does permit casual attire on Fridays as a weekly 'Dress Down Day', but employees shall still present a professional, well-groomed image. Appropriate casual clothing can include, but not limited to, jeans, khakis, regular shorts, or t-shirts that are not considered offensive. Baseball caps and small-size dress hats/caps are acceptable on casual days but head wraps, skull caps or caps of a like nature and large hats/caps may not be worn.

DRUG-FREE WORKPLACE

MVF employees are our most valuable resource, and their safety and health is of paramount concern. We are committed to providing a safe working environment to protect our employees and others; to provide the highest level of service; and to minimize the risk of accidents and injuries.

No MVF employee shall report for work or engage in any work on behalf of the MVF while under the influence of drugs, alcohol or other intoxicating substances, or be unfit for duty because of their use.

MVF strictly prohibits the manufacture, distribution, dispensing, possession, use, and/or sale of a controlled substance, including any of the following items by any individuals while on or off MVF property:

- Illegal or unauthorized drugs (including excessive quantities of prescription or over-the-counter drugs or any quantity of prescription drugs if the holder of those drugs does not have a proper prescription for those drugs).
- Drug-related paraphernalia.

Drug Testing

Pursuant to this policy, if MVF has reasonable suspicion that a violation of this policy has occurred, MVF may require an employee to be tested for the use of any drugs or alcohol, in accordance with the procedures set forth under Maryland law. MVF will provide a written policy for your review and signature upon hire.

DRIVING ON MVF BUSINESS

Employees who drive an MVF vehicle, or who drive their own vehicle, on MVF business, must be properly licensed drivers and may not use cell phones while driving without using ear/head phones. Employees may not engage in email, texting or use other electronic or distracting equipment while driving on MVF business. Employees who engage in business-related driving are required to immediately advise MVF, in writing, of any traffic violations, tickets, license suspensions, license revocations, matters appearing on their driving record, or any other matter that would affect their ability to drive. In no event shall an employee drive on MVF business without disclosing such information to MVF.

Employees who drive MVF vehicles are required to provide their driving record and proof of insurance to MVF. Any such employee who does not have a valid driver's license, proof of insurance, or who has a non-satisfactory driving record, will not be allowed to drive on MVF business and may be subject to termination.

PERFORMANCE APPRAISALS

A performance appraisal is an opportunity to discuss performance expectations and results. Positive results as well as areas needing improvement will be discussed to provide a better understanding of each other's expectations, needs, and directions. This is also an opportunity to discuss responsibilities and plans for professional growth. It is MVF's policy to evaluate an employee's performance at the end of their first six months and at their anniversary date thereafter.

An annual written review of each employee's performance provides the basis for any salary increase or bonus the employee may have earned. It is MVF's goal to have Supervisors and Managers initiate an annual performance review with all employees, but such reviews may be

more frequent as necessary. Employees may request an informal performance review meeting at any time during the year. Employees are encouraged to comment verbally and/or in writing in response to their performance appraisal.

An employee who has completed the six-month probationary period and whose work performance is rated below standard in one or more areas may be evaluated at any time during the year and given a written performance improvement plan. A supervisor can institute a written performance improvement plan outlining specific objectives which must take place over a specified period of time. Failure to meet the outlined objectives will result in disciplinary action including the possibility of termination.

COMPENSATION

It is the policy of MVF to fairly compensate eligible employees. Through a merit pay system, eligible employees are those employees who have successfully completed the probationary period and are evaluated as performing at or above the supervisor's standard. Merit increases generally become effective on the staff members' employment anniversary dates.

Fair Labor Standards Act

The Fair Labor Standards Act establishes "standards" for minimum wages, maximum hours, overtime pay, and child labor. All employees at every level in MVF are responsible for compliance with the FLSA, as amended. Responsibilities for the administration and interpretation of the FLSA include determining the existence of an employer-employee relationship; determining an employee's exempt or non-exempt status under the FLSA; interpreting and applying minimum wage, work time, coded hours, overtime, work schedules, and other FLSA provisions such as child labor standards.

Payroll

MVF pays employees on a biweekly basis, subject to certain withholding taxes and other required deductions. Payday is **every other Friday** which equates to 26 paydays in a year. Based on the varied work assignment performed by MVF employees, timesheet periods are varied. Check with your supervisor to confirm the timesheet period covered with the pay days.

Overtime Pay (Non-exempt positions)

MVF abides by the Fair Labor Standards Act (FLSA) requirements for overtime payment. Any non-exempt employee who works more than 40 hours in a work week is eligible for overtime pay calculated as one and one half times the employee's regular hourly rate. For the purposes of computing overtime, "hours worked" are defined as the hours during which work is performed. Examples of time not worked include, but are not limited to: paid leave, unified leave, holidays, leave without pay, and short term disability. These non-working hours are not included when computing hours above 40.

Compensatory Time (Exempt positions)

Employees who are exempt from overtime are to be paid on a salary basis as defined by law. These employees are often required to perform duties outside MVF's normal business hours. To ensure a work/life balance exists, when these employees have the ability to flex their schedule based on the hours worked outside normal business hours, they should do so within a two (2) week period provided the seasonality of the position allows this flexibility. If not, the Department Director can make alternative arrangements for these situations. The intent of this policy is not to provide comp time for each hour worked in excess of 40 hours per week, but to provide alternative time off for those employees who are required to work evenings or weekends

due to work related meetings/events or due to the seasonal requirements of their position. Comp time must be used in the current year and prior approval by the employee's supervisor is required before comp time can be taken.

EMPLOYEE RECOGNITION PROGRAM POLICY

The purpose of the MVF Employee Recognition Program Policy is to recognize and reward MVF employees for exceptional work, innovation and excellence in customer service. These are special awards, which are only given out by the EVP within the Board approved budget, or other action. The Management Incentive and Employee Recognition Awards would be processed through the Personnel Committee and the full Board in Closed Session prior to the EVP giving the awards and announcing the award winners at an MVF Board meeting.

1. Management Incentive Awards

The EVP has the authority to recognize Directors with one time annual management incentive awards to reward them for meeting financial and budget goals (expenditures and revenues) and one or more of the following criteria:

- implements technology that reduces costs and maintains/improves customer service;
- plans and implements new programming that enhances residents sense of community and enjoyment;
- implements safety or other training programs which enhances productivity and reduces cost;
- implements process improvement techniques to reduce personnel or other operating costs while maintaining or enhancing services to residents.

The EVP has the authority to approve a Management Incentive Award up to \$5,000 unless the Board approves a greater amount. The Board must approve a budget line item or decide at year-end closing by resolution whether the EVP can implement such awards.

2. Employee Recognition Awards

Department heads nominate employees who regularly exceed their goals and who make significant contributions to their department on a sustained basis. Employees are eligible for these annual monetary awards for meeting one or more of the following criteria:

- identifying and assisting in implementing cost saving initiatives;
- innovative programming
- process streamlining for better customer service and efficiency.

The EVP must approve these awards. An employee award winner could receive an award up to \$2500 unless the Board approves a greater amount. The Board must approve a budget line item limiting total awards given for the year.

3. Peer Awards

Employees are encouraged to nominate a co-worker or a team of employees for "going above and beyond" to complete a task, reduce costs, improve a process, provide excellent customer service, help a co-worker complete a job, identify a safety issue and report it to management, etc. Employees would complete a nomination form and submit it to their Department Head, who would forward it to the EVP for review by all MVF Directors. Peer awards would be given on a quarterly basis. A certificate and a gift of no more than \$50 would be awarded to each award winner. The Board would be notified of these award recipients as part of the EVP's monthly report.

LEAVE POLICIES

1. Holiday Schedule

Regular Full-Time Employees will receive ten (10) paid holidays per year. The holidays observed are as follows:

New Year's Day	Labor Day
Martin Luther King Jr. Day	Thanksgiving Day
Presidents' Day	Friday after Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	Day before or after Christmas Day (decided by EVP annually)

In addition, each full-time employee is eligible for a Personal Holiday (8 hours pay) after they successfully complete their initial six month probationary period. Part-time benefit eligible employees are eligible for Personal Holiday leave in proportion to the number of hours worked per week and must complete six months of employment prior to use. The Personal Holiday must be used by the last working day of the final payroll period of the year.

Any part-time benefit eligible employee is eligible for holidays observed by the Foundation and will be paid for each holiday based on their regularly scheduled hours for that day. If the holiday occurs on a day when the employee would not normally be scheduled to work, the employee is not paid for the holiday.

Exempt full-time or part-time benefit eligible employees who must work the day of a holiday are entitled to schedule the holiday at another date, with the approval of their supervisor. Rescheduled holidays must be scheduled and used by December 31 of the current year.

Non-exempt full-time or part-time benefit eligible employees who must work the day of a holiday will receive holiday pay plus regular compensation for the hours actually worked that day.

Temporary employees and part-time non-benefit eligible employees are not eligible for holiday pay.

2. Vacation Leave

MVF provides paid vacation leave to full-time and part-time benefit eligible employees. The number of hours accrued increases based on months of service. Full-time employees accrue vacation leave at the rates shown in the following schedule. Part-time benefit eligible employees accrue vacation leave at a rate proportionate to the number of hours worked. Temporary employees and part-time non-benefit eligible employees are not eligible for vacation leave.

Months of Service	Full-time Accrual Rate	Hours Per Year	# of Days Annually
0 - 24	3.07	80	10.0
25 – 60	3.84	100	12.5
61 – 120	4.61	120	15.0
121 – 180	6.15	160	20.0
181 – 192	6.46	168	21.0
193 – 204	6.76	176	22.0
205 – 216	7.07	184	23.0
217 – 228	7.38	192	24.0
229 +	7.69	200	25.0

(1) Rate is based on 26 pay periods per year.

Vacation leave balances will continue to accrue based on an employee's accrual rate throughout the year. Employees are only eligible to roll over a maximum of 120 hours (15 days) of vacation leave from one calendar year to the next. Unused vacation leave will be forfeited in these cases. Vacation leave balances are not allowed to become negative unless otherwise approved by their supervisor.

Upon termination of employment with at least two (2) weeks' notice, accumulated vacation leave will be paid to all employees who have completed the six month probationary period. Payment of accumulated leave will be forfeited if notice of intent to resign is not provided or the employee has been terminated for cause.

Vacation Sell Back

Employees with five (5) or more years of service may sell back annual leave, up to a maximum of 160 hours per calendar year, provided that the employee has used at least 80 hours of vacation leave during the previous 12-month period. The process for vacation sell back payout is as follows:

- a) Applications for sell back hours must be submitted to the EVP by Nov. 15th.
- b) All EVP approved requests will be paid to employees on the first pay in December.
- c) Total dollars paid for vacation sell-back will be limited to the amount budgeted for the current year unless otherwise approved by the MVF Board.
- d) The formula to determine the amount paid to each employee is the lesser of:
 - (i) The individual's approved hours being sold divided by the total approved hours being sold by all employees, then multiplied by the budgeted dollars, or
 - (ii) The employee's approved sell back hours multiplied by their hourly rate.
- e) Any requested hours not paid will revert back to the employees' vacation accrual.
- f) Employees hired after December 31, 2009 are not eligible for the sell back policy.

3. Sick and Safe Leave

MVF provides paid sick and safe leave to full-time and part-time employees. The number of hours accrued increases based on months of service. Full-time employees accrue sick and safe leave at the rates shown in the following schedule. Part-time employees (both "benefit eligible and "non-benefit eligible") accrue sick and safe leave at a rate proportionate to the number of hours worked. Temporary employees are not eligible for sick and safe leave.

Months of Service	Accrued per Pay Period (1)	Accrued per Year
0 - 60	3.07	80
61 - 120	4.61	120
121 +	6.15	160

Rate is based on 26 payroll periods annually. Sick and safe leave use, accruals, and balances appear on each employee's payroll record for each payroll period.

Permitted Uses of Earned Sick and Safe Leave:

- To care for or treat the employee's own illness (mental or physical), injury, or health condition.

- To obtain preventative medical care for the employee or their family member¹
- To take care of a family member with an illness (physical or mental), injury, or health condition.
- When the employee's place of business or when the employee's family member's school or child care center has closed by order of a public official due to a public health emergency.
- To care for a family member if a health official or health care provider determined the family member's presence in the community, due to exposure to a communicable disease, would jeopardize the health of others.
- Due to domestic violence, sexual assault, or stalking against the employee or the employee's family member. Leave must be used for medical attention, services from a victim services organization, legal services, or during the time that the employee has temporarily relocated.
- For the birth of a child, or for the placement of a child with the employee for adoption or foster care.
- To care for a newborn, newly adopted, or newly placed child within one year of birth, adoption, or placement.

There is no limit on the number of hours allowed to accumulate in sick and safe leave, nor is it paid upon termination of employment. Sick and safe leave balances are not allowed to become negative unless otherwise approved by the EVP.

An employer may not retaliate against an employee for exercising the rights granted by the Earned Sick and Safe Leave Article, (Chapter 27, Article XIII) of the Montgomery County Code, 2015 as amended. An employee may file a complaint regarding the rights set forth in the Earned Sick and Safe Leave Article by contacting the Montgomery County Office of Human Rights, 21 Maryland Avenue, Suite 330, Rockville, Maryland 20850.

Proof of Need

Documentation of a need to use safe and sick leave (such as a doctor's certificate or other professional working with the employee) is required if an employee uses more than 5 consecutive days of sick and safe leave. The supervisor may require medical certification. Using sick and safe leave for reasons other than as stated above can result in disciplinary action which may include termination.

Sick Leave Grant

A sick leave grant is a voluntary contribution from one employee to another to assist an employee who has experienced an extended illness or a family member's extended illness and the employee has exhausted all leave and is in danger of losing salary and/or benefits.

¹ A "family member" as defined in the Sick and Safe Leave Article means:

A biological, adopted, foster, stepchild or grandchild of the employee;

A child that the employee has legal or physical custody of or for whom the employee is the primary caregiver;

A biological, adoptive, foster, or step parent of the employee or the employee's spouse;

The legal guardian of the employee or who served as the primary caregiver of the employee when s/he was a minor;

A spouse;

A grandparent of the spouse of a grandparent of the employee;

A biological, adopted, or foster sibling or spouse of a sibling of the employee.

Requests for a sick leave grant must be made for absences consistent with the current MVF Sick Leave Policy and are anticipated to last five days or longer up to 90 days.

To be eligible, employees must meet the following criteria:

- a) Be a year round regular employee working at least 24 hours or more per week.
- b) Have exhausted all leave, including: sick, vacation and their personal day.
- c) Be employed at least 6 months.
- d) Provide a written request to the HR Manager stating the reasons for the need.
- e) Provide a letter from a doctor supporting the request.

4. Personal Leave

MVF Provides all full time employees with 8 hours of personal leave each year. Personal leave may be used for any purpose not covered by vacation leave or sick and safe leave. Personal leave must be used in the year it is provided and may not be carried over.

5. Bereavement Leave

In the event of the death of a family member, full-time and part-time benefit eligible employees are granted up to three (3) days of bereavement leave. MVF's definition of a family member is: Father (step/in-law), Mother(step/in-law), Brother(step/in-law), Sister(step/in-law), children(step/in-law), Legal spouse, Grandparents, Parents siblings, or as otherwise approved by the EVP.

It is the responsibility of the employee to notify their manager upon the need to use the bereavement leave policy.

Temporary employees and part-time non-benefit eligible employees are not eligible for paid bereavement leave.

6. Jury Duty

It is the policy of the Foundation to excuse all employees from work for jury service. All MVF employees are eligible for jury duty pay. The following requirements must be met:

- a) The employee must notify his/her immediate supervisor of the required jury duty. A copy of the jury summons must be provided to the employee's supervisor.
- b) The Foundation pays the employee's base rate for time taken from scheduled working hours for jury selection or jury duty. The employee retains juror fees received from the court. In the event you are released from jury duty early in the day (permitting a half day of work or more), you are expected to return to work or use vacation leave.
- c) The employee is responsible for submitting written verification of service performed for jury duty prior to the corresponding pay period end date.
- d) The part of the employee's scheduled workday spent at jury duty will be counted as hours worked for the purpose of computing overtime.

7. Inclement Weather Policy

With regard to closure of the office during a weather emergency, Montgomery Village Foundation will follow **Montgomery County government** decisions.

- a) When the County government indicates a liberal leave policy, the MVF office will be open; however, staff may elect to use vacation leave.
- b) If Montgomery County Government closes before the start of the business day, the MVF office will close as well. Staff will be paid for the hours the office is closed.

- c) If inclement weather forces the closure of the MVF office any time during the business day, only those staff who reported to work and are present at the office when the decision is made will be paid for a full day. All others must use vacation leave for the whole day or portion of the day they were not at work regardless of the fact that the office may have closed early.

If for some reason MVF, independent of County action, elects to close the office before the start of the business day, staff will be paid for the hours the office is closed. When there is doubt about the status of the MVF office, staff should contact their supervisors.

Selected staff may be required to report based on their supervisor's discretion.

8. Unpaid Leave (other than FMLA)

MVF understands that employees may desire or need to take an extended unpaid leave (extended means any pay period where there are 0 hours worked, used as sick, vacation or personal day) for various reasons. MVF may accommodate these requests; however, the determination of whether unpaid leave will be granted is within MVF's sole discretion. Employees must use all other available leave prior to the use of unpaid leave. Employees are required to submit these requests in writing to the EVP for approval.

For the duration of the unpaid leave of absence, leave accruals will cease and no flexible dollars will be paid. MVF will allow eligible employees the opportunity to continue insurance benefits for up to six (6) months. However, the employee is responsible for all costs associated with these benefits. MVF Human Resources must receive payment by the 25th day of the **preceding** month for which payment is due. If payment is not received by the 25th day, coverage will be terminated without warning to the employee and continuation of coverage under COBRA will be offered (see COBRA section in this manual). If the employee does not return to active status within six (6) months, COBRA will be offered. Upon returning to active status insurance and other benefits will be restored at the current level that MVF is providing to staff members.

9. Family Medical Leave Act (FMLA)

The Family Medical Leave Act enacted in 1993 is a federal law that provides certain employees with up to 12 work weeks of unpaid, job-protected leave a year and requires that group health benefits be maintained during the leave. MVF will grant non-work-related family and medical leave in accordance with the requirements of the applicable federal / state law in effect at the time the leave is granted, and assure that the employee be restored to the same or an equivalent position upon return from leave, provided that the worker has been employed by the Foundation for at least 12 months, and for at least 1250 hours over the 12 months preceding the start of the leave.

Please contact Human Resources and your supervisor as soon as you become aware of the need for a family or medical leave. The following is a summary of some of the relevant provisions of FMLA at the time this manual was written. Additional information can be provided upon request.

(1) Employee Eligibility:

- a) To be eligible for family or medical leave benefits under this section, you must have worked for the MVF for a total of at least 12 months, and have worked at least 1,250 hours over the previous 12 months.

(2) Type of Leave Covered:

- a) The birth of a child or placement of a child for adoption or foster care.
- b) To care for an immediate family member (spouse, child, or parent) with a serious health condition.
- c) For the employee's own serious health condition.
- d) A covered family member's active duty or call to active duty in the Armed Forces.

An employee whose spouse, son, daughter or parent either has been notified of an impending call or order to active military duty or who is already on active duty may take up to 12 weeks of leave for reasons related to or affected by the family member's call-up or service. Reasons related to the call-up or service includes helping the family member prepare for the departure or caring for children of the service member. The leave may commence as soon as the individual receives the call-up notice. (Son or daughter for this type of FMLA leave is defined the same as for child for other types of FMLA leave, except that the person does not have to be a minor.) This type of leave would be counted toward the employee's 12-week maximum of FMLA leave in a 12-month period.

Employees requesting this type of FMLA leave must provide proof of the qualifying family member's call-up or active military service before leave is granted.

- e) To care for an injured or ill service member.

This leave may extend to up to 26 weeks in a 12-month period for an employee whose spouse, son, daughter, parent or next-of-kin is injured or recovering from an injury suffered while on active military duty and who is unable to perform the duties of the service member's office, grade, rank or rating. Next-of-kin is defined as the closest blood relative of the injured or recovering service member. An employee is also eligible for this type of leave when the family service member is receiving medical treatment, recuperation or therapy, even if the service member is on temporary disability retired list.

Employees requesting this type of FMLA leave must provide certification of the family member or next-of-kin's injury, recovery or need for care. This certification is not tied to a serious health condition as for other types of FMLA leave. This is the only type of FMLA leave that may extend an employee's leave entitlement beyond 12 weeks to 26 weeks. Other types of FMLA leave are included with this type of leave totaling the 26 weeks.

(3) Leave Available:

- a) Eligible employees may receive up to a total of 12 work weeks (or up to 26 weeks to care for an injured or ill service member) of unpaid leave during a rolling 12 month period. A 12-month period begins on the date of an employee's first use of federal family or medical leave. Successive 12-month periods commence on the date of an employee's first use of such leave after the preceding 12-month period has ended.
- b) Under some circumstances, employees may take family or medical leave intermittently, either taking leave in shorter blocks of time, or reducing their normal weekly or daily work schedule. When leave is requested to allow you to care for an immediate family member or for your own health care condition and is for planned medical treatment, you

must try to schedule that treatment so as not to unduly disrupt the MVF's normal operation.

- c) If a husband and wife both work for the MVF 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 (but not a parent in-law) with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. To care for an injured or ill service member, the husband and wife may only take a combined total of 26 weeks of leave.

(4) Notice and Certification: Employees seeking to use family or medical leave may be required to provide:

- a) 30-days advance notice when the need for the leave is foreseeable;
- b) medical certification from your health care provider that you are unable to work, as well as a certification that you are able to return to work before you are reinstated;
- c) periodic recertification; and
- d) periodic reports during the leave.

(5) Compensation During Leave: Family and medical leave is unpaid. However, if you have any available unified leave, the MVF will pay you for the period of FMLA leave time equivalent to your accumulated unified leave. Short-term disability absences and/or payment run concurrent with FMLA.

(6) Benefits During Leave: The MVF will maintain health insurance coverage for an employee on family or medical leave for up to a maximum of 12 work weeks (26 weeks for care of an injured or ill service member) if you were covered by the insurance before the leave was taken and on the same terms as if you had continued to work. You will be required to sign the Benefit Continuation Notice denoting your understanding that if you fail to return to work following your family or medical leave, the MVF may be able to recover from you premiums it paid to maintain your health insurance while you were on leave.

(7) Job Reinstatement: In most circumstances, when you return from family or medical leave, you will be reinstated to your original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, you will have no greater right to reinstatement than you would have gained if you had been continuously employed rather than on leave. For example, if you would have been laid off or your job eliminated except for the fact you were on leave, and there are no equivalent jobs available, you would not be entitled to reinstatement. However, an employee's use of family or medical leave will not result in the loss of any employment benefit that you earned or were entitled to before going on family or medical leave.

The MVF may hold in abeyance or proceed with any counseling, performance interviews or disciplinary action, including discharge, which were contemplated prior to your request for or receipt of a leave of absence. If such action is held in abeyance during the period of leave, the MVF reserves the right to proceed with such action upon your return. Requesting or receiving a leave of absence in no way relieves you of your obligation while on the job to perform your job responsibilities capably and up to the MVF's expectations, and to observe all MVF policies, rules, and procedures.

The MVF will not refuse to hire, discharge, or discriminate against any individual because of any proceedings related to family or medical leave.

10. Military Leave

MVF complies with all elements of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) which provides both job and benefit protection for workers who serve in the military.

MVF will support and provide leave for annual training, periods of deployment and reemployment to individuals who have been absent on account of military duty in the uniformed services. It is the policy of MVF to supplement the pay for an employee on military leave for up to fifteen (15) calendar days per calendar year. The amount of supplemental pay is the difference in pay an employee would have received at MVF and that granted by the military duty if the MVF pay is higher. Upon presentation of satisfactory military pay verification data, MVF will issue the supplemental pay. Any military leave of absence greater than fifteen (15) calendar days is treated as unpaid leave of absence. However, employees may use any available unified leave for the absence. Employees are eligible for health coverage up to eighteen (18) months while on military leave of absence. You will be required to sign the Benefit Continuation Notice denoting your understanding that if you fail to return to work following your military leave of absence, the MVF may be able to recover from you premiums it paid to maintain your health insurance while you were on leave.

Employees who require time off from work to fulfill military duties will be treated in accordance with applicable requirements of state and federal laws. You are expected to notify your supervisor of upcoming military duty by providing your supervisor with a copy of your orders as soon as possible.

BENEFIT PLANS

All full-time employees are eligible for the MVF Benefits Plan also known as the “Cafeteria Plan”, beginning the 1st of the month following their date of hire. Employees are provided with a fixed dollar amount per pay period to purchase various supplemental benefits. These options include health, dental, supplemental life, disability, flexible spending accounts (medical and dependent care reimbursement), and prepaid legal services. If the cost of plans selected is higher than the flexible dollar amount, the employee is responsible for the difference through payroll deductions. Additional explanation of MVF’s benefits plans can be obtained from Human Resources.

MVF manages all the benefit plans and has the exclusive right to determine all issues of eligibility and all issues of interpretation of the terms of the MVF’s benefit programs. This reservation of rights does not apply to issues which, by law, must be determined by a federal or state agency, such as eligibility for unemployment compensation. Enrollment in benefits occurs initially upon hire of each new employee and during December of each year for open enrollment. Any changes made to a benefit election outside of these two times will be required to document proof of an IRS approved life change.

While the MVF has attempted to accurately reflect herein a general overview of the various benefits, it is impossible to reflect all of the terms of each benefit in this manual. Moreover, the specifics of the various benefits may be changed from time to time by the providers of those benefits or at the discretion of the MVF. If you wish to review the full benefit plan documents in effect at any time, please see Human Resources. In any instance of a conflict between this manual and the applicable benefit policies and/or plan, the benefit policies and plan documents will govern. Benefit offerings may change from time to time. For a complete list of current offerings, please see the HR Manager.

The following benefits are offered to eligible employees.

1. Flexible Benefit dollars

A fixed amount of money provided to employees each pay period for the purchase of MVF offered benefit plans. The amount for each year is approved in accordance with the annual budget process. Should employees not opt for MVF offered benefits, the flexible benefit dollars will default as taxable net income in the employees' pay.

2. Insurance Benefits

MVF offers a host of benefit choices for eligible full-time employees. Please see the HR Manager or your supervisor for a list of the current offerings.

In order to participate in the above referenced insurance benefits, you must complete an enrollment form and decide on certain electives. You are not automatically covered. Summary Plan Documents of these benefits are available in the Human Resources Department.

3. Retirement Plan

MVF offers a voluntary, tax deferred retirement plan in which full-time and part-time benefit eligible employees, who are 18 years of age or older, may elect to participate. (*Note: Medicare and Social Security taxes are deducted from this benefit, as prescribed by federal law.*) MVF provides a dollar for dollar match of the employee's salary; the % cap of the match is determined in the annual budget. Flex dollars are excluded for purposes of determining the 401(k) employer match contribution. New employees are eligible to enroll the first of the calendar month following date of hire. Employees may change the dollar amounts or the percentages of contributions on a calendar monthly basis. Details about the Plan may be obtained from the Human Resources Department or by review of the Summary Plan Document.

Effective April 1, 2013 MVF implemented new rules regarding participation in the company's retirement plan. Employees are eligible to participate in the plan on the 1st of the month following their date of hire. All employees hired after March 1, 2013 will be subject to auto enrollment provisions in the plan. Please contact human resources for more information.

4. Workers' Compensation

You are protected by Workers' Compensation Insurance while employed by MVF. The policy covers employees in case of occupational injury, illness or death to the extent required by law. Employees make no contribution for this coverage. The cost is covered 100% by MVF. Workers' Compensation leave runs concurrently with Family Medical Leave Act (FMLA). Every occupational injury or illness, no matter how slight, must be reported immediately to the employee's supervisor and Human Resources. The workers' compensation benefits provided to injured employees may include:

- a) Medical care;
- b) Cash benefits, tax free, to replace lost wages; or
- c) Vocational rehabilitation to help qualified injured employees return to suitable employment.

To ensure that you receive any workers' compensation benefits to which you may be entitled, you must:

- a) Immediately report any work-related injury to your supervisor and complete any required forms or paperwork regarding the injury.

- b) Seek medical treatment and follow-up care if required; and
- c) Provide MVF with a certification from your health care provider regarding any need for workers' compensation disability leave and your ability to return to work from the leave.

An employee that misses three workdays or less due to a work-related injury or illness, irrespective of whether the claim is accepted or denied, must record the missed time as sick or vacation leave. The first three days an employee is absent from work is not compensable for lost wages under Workers' Compensation Insurance and will be charged to the employee's sick leave or vacation leave. Sick or vacation leave charged to the employee for the first three days missed due to the injury will be credited back to the employee if the employee misses more than 15 days of work due to the work-related injury or illness.

Employees are only entitled to lost time benefits if a health care provider authorizes time off work due to the compensable injury or illness. Upon returning to work after an injury or illness, employees will be required to use other paid leave, such as sick or vacation leave, to attend any medical appointments related to the work related injury.

Under most circumstances, upon submission of a medical certification that an employee is able to return to work from a workers' compensation leave, the employee generally will be offered the same position held at the time the leave began, if available. If the same position is not available, an employee's return to work will depend on job openings existing at the time of his/her scheduled return. An employee's return will depend on his/her qualifications for any existing openings.

MVF or its insurer will not be liable for the payment of workers' compensation benefits for any injury that arises out of an employee's voluntary participation in any off-duty recreational, social, or athletic activity, or any activity that is not part of the employee's work-related duties.

5. Continuation of Benefits (COBRA)

The Federal Consolidated Omnibus Budget Reconciliation Act (COBRA), allows employees and their immediate relatives who are covered under certain health insurance plans to continue coverage under those plans up to 18 months after terminating their employment at MVF. There are conditions and/or restrictions that may apply.

The same opportunity to continue health coverage also applies to employees' covered spouse and dependent children, not only if you leave MVF, but also in the event divorce, death or become entitled to Medicare. If a dependent child covered under an employees' health insurance reaches the age of 26, regardless of student status, he/she may be covered by COBRA as well.

Employees who elect to continue benefit coverage must apply within specified time periods and must also pay the premium themselves. Contact the Human Resources Department to discuss your COBRA rights if you are leaving the MVF or wish to apply for COBRA coverage for other reasons.

6. Employee Assistance Program (EAP)

Through its insurance program, MVF offers its employees access (free of charge) to an Employee Assistance Program (EmployeeConnect Services), which provides assistance upon request with work/life services such as parenting and childcare, eldercare, relationships, work and career and financial problems. BeneficiaryConnect Services also offers free beneficiary

assistance when needed with grief counselors, memorial planning assistance and other support services.

INVOLUNTARY TERMINATION AND DISCIPLINARY ACTION

All employment is "at will." This means that you are free to terminate your employment, with or without notice, at any time and for any reason, or for no reason, just as MVF is free to terminate your employment, with or without notice, at any time and for any reason, or for no reason.

MVF may, in its sole discretion, utilize whatever form of disciplinary action is deemed appropriate under the circumstances, up to and including termination of employment.

All MVF owned property (keys, computer discs, files, documents, equipment, identification badges, credit cards, etc.) must be returned immediately upon involuntary termination of employment.

VOLUNTARY TERMINATION

An employee who fails to report to work for three (3) consecutively scheduled work days without notice to, or approval by, his/her supervisor, will be deemed to have voluntarily terminated employment with the MVF. Any employee may voluntarily terminate his/her employment at any time.

Although we hope your employment with MVF is a mutually rewarding experience, we understand that varying circumstances do cause employees to voluntarily resign employment. Should you decide to leave your employment with MVF, we request, but do not require, that you give MVF as much advance notice as is practical, and preferably at least two weeks written notice. This will give MVF a better opportunity to make necessary adjustments in its staffing and operations.

All resignations must be confirmed in writing with a letter or email to the employee's manager. If an employee provides more notice than requested, MVF will evaluate whether the additional notice is necessary for effective business operations and will notify the employee in writing to confirm the final date of employment.

All MVF owned property (keys, computer discs, files, documents, equipment, identification badges, credit cards, etc.) must be returned immediately upon voluntary termination of employment. MVF does not pay severance pay upon Voluntary Termination.

EMPLOYMENT VERIFICATION

MVF will not provide the name, hire date, termination date and verify salary to any third party without first obtaining a written release of liability form from any former employee.

IN CONCLUSION

This manual represents the personnel policies of the Montgomery Village Foundation. The entire contents are applicable to all MVF employees regardless of their date of employment (unless specifically noted). MVF may choose to revise or delete any of the provisions, policies, and benefits discussed in the manual and retains the sole discretion to interpret and apply the language.

All employees of MVF are employed on an “at-will” basis, unless they have a written employment contract for a specific term. This manual does not create an express or implied employment contract or term, or limit the at-will employment relationship between you and MVF under which you may resign or be terminated, with or without cause, at any time, with or without notice.

Violation of any policy in the manual can result in disciplinary action up to and including termination of employment.

Other than the policy of at-will employment, MVF’s policies and benefits are continuously reviewed and do change from time to time. Therefore, employees should check with their supervisor and/or Human Resources to verify current policies.

We look forward to beginning a long and mutually fulfilling relationship with you as an MVF employee and as part of a team working together to move the Montgomery Village Foundation forward, working under the policies of the MVF Board of Directors to provide our community with the best services possible. We thank you for your commitment to this goal.

WELCOME!

GLOSSARY

Controlled Substances - drugs listed in schedules I through V of Section 202 of the Federal Controlled Substances Act, 21 U.S.C. Sec. 812 and includes but is not limited to, marijuana, cocaine (including “crack” and other cocaine derivatives), alcohol (when used/or under the influence of while on MVF/client premises), morphine, heroin, amphetamines, and barbiturates.

Uniformed Services - This term encompasses Army, Navy, Marine Corps, Air Force and Coast Guard, including the Reserves for each of these branches of military. Also included is service in the Army National Guard or Air National Guard, commissioned corps of the Public Health Service and any other category of persons designated by the President in time of war or emergency.

EMPLOYEE STANDARDS OF CONDUCT

As employees of Montgomery Village Foundation (MVF), each individual has an obligation to MVF and its Members to carry out his/her respective duties and responsibilities in a diligent, fair and honest manner. Each employee recognizes that he/she owes a duty of care and a duty of loyalty to MVF and its Members in connection with all aspects of his/her position, thereby requiring each employee to act in the best interests of MVF and its Members in his/her official capacity and not to act in a manner that may undermine the integrity or well-being of MVF and its Members. This general standard of conduct includes, but is not limited to, the following specific situations and types of conduct.

This policy applies to all employees of MVF who, within the scope of their employment, act as agents for community associations who have contracted with MVF for management services. This policy encompasses transactions and conduct between the employee and MVF and between the employee and any community association with which the employee has an agency relationship.

1. **Due Care.** Each employee shall discharge his/her duties in good faith, with the care of an ordinarily prudent person in a like position under similar circumstances. Examples of due care includes: keeping accurate and complete records, providing service in a timely manner and working within applicable laws, regulations and policies.
2. **Personal Advantage.** An employee shall not use his/her position for personal or financial advantage.
3. **Conflict of Interest.** An employee shall not participate in any MVF matter that directly affects a financial or other substantial personal, property, or business interest of the employee, his/her spouse, a relative, close friend, client, fellow employee, business partner or associate in a manner distinct from its effect on the public generally. In such a case, the employee must promptly disclose the possible conflict of interest to his/her supervisor and affected Board(s) of Directors.

For purposes of this provision, "relative" is defined as an employee's children or grandchildren, brother or sister, parents or grandparents, as well as the spouse's such relatives.

4. **Transactions.** An employee shall not enter into a contract or other transaction with the MVF for goods or services, either personally or through a corporation, partnership or other business that he/she owns an interest, unless he/she discloses the information to the Board of Directors and the Board determines that the contract/transaction has a clear substantial benefit to the MVF and approves the transaction through the vote of a majority of Board members.
5. **Objectivity.** An employee shall act impartially and not give preferential treatment to any one group, organization, business or individual. Each employee must disclose to his/her supervisor any agreement, understanding, or special arrangement which he/she has with any person, business or organization regarding any particular matter that concerns a MVF activity or item that the Board is considering.
6. **Gifts.** An employee shall not solicit or accept anything of value from any individual, group, organization or business as a result of his/her current position as a MVF staff member.
7. **Confidentiality.** An employee shall maintain the confidentiality of any MVF documents, materials or other information that are designated as such for the purposes of protecting the

MVF's best interests or the privacy of a Member, resident, fellow employee or others with whom the MVF has dealings. An employee may not publicly disclose any confidential MVF documents, materials, or information unless the Board of Directors authorizes such disclosure.

8. **Use of MVF Property.** An employee shall not use any MVF property or facility for personal use unless such use is generally available to residents.
9. **Good Standing.** An employee who is a resident and/or Member shall satisfy in good faith his/her obligations as a Member of the Montgomery Village Foundation or a resident of Montgomery Village, including but not limited to, all financial obligations, covenants and regulations as contained in the Articles of Incorporation, By-laws, rules and policies of the Montgomery Village Foundation and the homes corporation or condominium association of which he/she is a member.
10. **Conduct.** An employee shall not engage in, incident to carrying out duties: any illegal activity; harassment or threats toward any individual or group; discrimination on the basis of age, race, color, sex, sexual orientation, religion, national origin or disability.

FRAUD DETECTION/PREVENTION POLICY

Policy: MVF is committed to maintaining an ethical organization and has implemented Standards of Conduct for Employees, Standards of Conduct for the Board of Directors and Officers of the Montgomery Village Foundation, Inc., and a Harassment Policy that specifically addresses sexual or other types of harassment. In addition, other procedures already in place, including internal accounting controls, risk assessment, and employee training, reduce the likelihood of an occurrence of fraud. An annual external audit of MVF financial records and analysis of internal controls are conducted, as required by law. This MVF Fraud Detection/Prevention Policy has been developed to provide a systematic way in which employees or others can report instances of fraud, waste and abuse without fear of retribution, and to put in place procedures for the investigation of fraud and related offenses, in the event that such abuses are identified or suspected.

Definitions: MVF defines fraud, waste and abuse as follows:

1. **Fraud:** A dishonest and intentional course of action that results in obtaining money, property or an advantage to which the individual committing the action would not normally be entitled.
2. **Waste:** The needless, careless or extravagant expenditure of MVF funds, incurring of unnecessary expenses or misuse of Foundation resources or property.
3. **Abuse:** The intentionally wrongful or improper use of MVF resources that can include the excessive or improper use of one's position, in a manner contrary to its rightful or legally intended use.

Procedures:

1. **Reporting:** MVF encourages an open door policy and encourages employees share their questions, concerns, suggestions or complaints with someone who can address them properly. Generally, an employee's supervisor is in the best position to address an area of concern. Therefore, if an employee has identified any fraud, waste or abuse, as defined above, he/she is encouraged to utilize the management chain of command and first discuss the issue with his/her immediate supervisor. If an employee is not comfortable speaking to a supervisor, or not satisfied with the supervisor's response, the employee is encouraged to speak with the next level of management, including the EVP. If the EVP is implicated in any way in the fraud, waste or abuse, then the issue should be brought directly to the attention of the President of the MVF Board of Directors.
2. **Investigation:** It is important for employees to recognize that bringing allegations of impropriety is serious business, and care must be taken in reporting the facts objectively and without malicious intent. All allegations of fraud will be substantiated by obtaining clear and compelling evidence and will be promptly investigated by management and, if appropriate, outside resources. All allegations meeting the fraud definition will be reported to the Executive Committee and Board of Directors, and appropriate corrective action will be taken as soon as possible.
3. **Confidentiality:** MVF wishes to encourage anyone having reasonable suspicions of fraud to report them. No employee will suffer in any way as a result of reporting reasonably held suspicions. With regard to confidentiality, if an employee is not comfortable with the reporting procedures outlined above, allegations of fraud may be reported via email to fraud@mvf.org. Suspected abuses may also be reported by non-employees following the same procedures outlined above.

ACKNOWLEDGMENT OF RECEIPT OF PERSONNEL POLICY MANUAL:

I am in receipt of a copy of MVF's **Personnel Policies Manual**. I understand and agree that I am responsible for familiarizing myself with the Manual and the information contained therein, and I have been given sufficient work time to do so. Moreover, I hereby acknowledge that I have read, and do understand, the provisions contained in the Manual.

I hereby agree to the terms and conditions of employment with the MVF, as outlined in this Manual.

I have read and agree to follow all **Employee Standards of Conduct** and adhere to all MVF policies, including the **Fraud Detection/Prevention Policy**.

I certify, by my signature below, that I understand and agree that my employment status with the MVF is at-will, and that the MVF or I can terminate my employment at any time and for any reason, or for no reason, with or without notice. I further understand and agree that the at-will nature of my employment cannot be modified by implication, conduct, or any oral or written statement, except by a written employment contract for a specific term that is signed by me and an officer of MVF. I understand and agree that nothing in this Manual creates, or is intended to create, an express or implied contract of employment or warranty of benefit.

I understand that, with the exception of employment-at-will status, MVF can change the provisions of its manual at any time and for any reason, and without notice.

Signed _____

Employee _____
(Print Name)

Dated _____

Supervisor _____

(Print Name)

Dated _____