# Town of Rolesville

# Personnel Policy

**Revised July 1, 2018**

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

Effective Date: July 1, 2018
Approved by Board of Commissioners: May 1, 2018

## TABLE OF CONTENTS


| Article | Title | Page |
|---|---|---|
| ARTICLE I. | GENERAL PROVISIONS | 2 |
| ARTICLE II. | POSITION CLASSIFICATION PLAN | 5 |
| ARTICLE III. | THE PAY PLAN | 6 |
| ARTICLE IV. | RECRUITMENT AND EMPLOYMENT | 11 |
| ARTICLE V. | CONDITIONS OF EMPLOYMENT | 14 |
| ARTICLE VI. | EMPLOYEE BENEFITS | 18 |
| ARTICLE VII. | HOLIDAYS AND LEAVES OF ABSENCE | 21 |
| ARTICLE VIII. | SEPARATION AND REINSTATEMENT | 31 |
| ARTICLE IX. | UNSATISFACTORY JOB PERFORMANCE AND DETRIMENTAL PERSONAL CONDUCT | 32 |
| ARTICLE X. | GRIEVANCE PROCEDURE AND ADVERSE ACTION APPEAL | 35 |
| ARTICLE XI. | RECORDS AND REPORTS | 39 |

## ARTICLE I. GENERAL PROVISIONS

### Section 1. Purpose of the Policy

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

### Section 2. At Will Employment

The Town of Rolesville is an "at will" employer. Nothing in this policy creates an employment contract or term between the Town and its employees. No person has the authority to grant any employee any contractual rights of employment. The Town reserves the right to modify the provisions of the Personnel Policy at any time. Notwithstanding any of the provisions within this Personnel Policy, employment may be terminated at any time by either party, with or without cause and with or without advance notice.

### Section 3. Merit Principle

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

### Section 4. Responsibilities of the Board of Commissioners

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

### Section 5. Responsibilities of the Town Manager

The Town Manager shall be responsible to the Board of Commissioners for the administration and technical direction of the personnel program. The Town Manager shall appoint, suspend, and remove all Town employees except those whose appointment is otherwise provided for by law. The Town Manager shall make appointments, dismissals and suspensions in accordance with the Town charter and other policies and procedures spelled out in other Articles in this Policy.

The Town Manager shall supervise or participate in:

1) Recommending rules and revisions to the personnel system to the Board of Commissioners for consideration;

2) Making changes as necessary to maintain an up to date and accurate position classification plan;

3) Preparing and recommending necessary revisions to the pay plan;

4) Determining which employees shall be subject to the overtime provisions of FLSA;

5) Establishing and maintaining a roster of all persons and authorized positions in the municipal service, setting forth each position and employee, class title of position, salary, any changes in class title and status, and such data as may be desirable or useful;

6) Developing and administering such recruiting programs as may be necessary to obtain an adequate supply of competent applicants to meet the needs of the Town;

7) Developing and coordinating training and educational programs for Town employees;

8) Investigating periodically the operation and effect of the personnel provisions of this policy; and

9) Performing such other duties as may be assigned by the Board of Commissioners not inconsistent with this Policy.

**Section 6. Application of Policies, Plan, Rules, and Regulations**

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

**Section 7. Departmental Rules and Regulations**

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

**Section 8. Definitions**

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

**Full-time employee**. An employee who is in a position for which an average work week equals at least 40 hours and continuous employment of at least 12 months are required by the Town.

**Part-time employee**. An employee who is in a position for which an average work week of at least 20 hours and less than 40 hours and continuous employment of at least 12 months are required by the Town.

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

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

**Temporary employee**. An employee appointed to a position for which either the average work week

required by the Town over the course of a year is less than 20 hours, or continuous employment required by the Town is less than 12 months.

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

**Permanent position**. A position authorized for the budget year for a full twelve months and budgeted for twenty or more hours per week. All Town positions are subject to budget review and approval each year by the Board of Commissioners and all employees' work and conduct must meet Town standards. Therefore, reference to "permanent" positions or employment should not be construed as a contract or right to perpetual funding or employment by any employee.

## ARTICLE II. POSITION CLASSIFICATION PLAN

### Section 1. Purpose.

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

### Section 2. Composition of the Position Classification Plan

The classification plan shall consist of:

1) A grouping of positions in classes which are approximately equal in difficulty and responsibility which call for the same general qualifications, and which can be equitably compensated within the same range of pay under similar working conditions;

2) Class titles descriptive of the work of the class;

3) Written specifications for each class of positions; and

4) An allocation list showing the class title of each position in the classified service.

### Section 3. Use of the Position Classification Plan

The classification plan is to be used:

1) As a guide in recruiting and examining applicants for employment;

2) In determining lines of promotion and in developing employee training programs;

3) In determining salary to be paid for various types of work;

4) In determining personnel service items in departmental budgets; and

5) In providing uniform job terminology.

### Section 4. Administration of the Position Classification Plan

The Town Manager shall allocate each position covered by the classification plan to its appropriate class, and shall be responsible for the administration of the position classification plan. The Town Manager shall periodically review portions of the classification plan and recommend changes to the Board of Commissioners.

### Section 5. Adoption of the Position Classification Plan

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

## ARTICLE III. THE PAY PLAN

### Section 1. Definition

The pay plan includes the basic salary schedule and the assignment of classes to grades as adopted by the Commissioners. The salary schedule consists of the hiring, minimum, mid-point, and maximum rates of pay for all classes of positions, and a designation of the standard hours in the work week for each position.

### Section 2. Administration and Maintenance

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

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

Periodically, the Town Manager shall recommend that the salary plan be studied and adjusted as necessary to maintain market competitiveness. Such adjustments will be made by increasing or decreasing the assigned salary grade for the class and adjusting the rate of pay for employees in the classes when the action is approved by the Board of Commissioners.

### Section 3. Starting Salaries

All persons employed in positions approved in the position classification plan shall be employed at the hiring rate for the classification in which they are employed; however, well qualified applicants with education or experience which surpasses the minimum requirements of the position may be employed above the hiring rate of the established salary range upon approval of the Town Manager.

### Section 4. Trainee Designation and Provisions

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

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

**Section 5. Probationary Pay Increases**

Upon successful completion of the probationary period, or six months of satisfactory performance, a newly hired employee shall become eligible for an increase of up to 5%, not to exceed the maximum salary for the pay range. Employees serving a twelve-month probationary period may be considered for this increase after six months of employment. This provision shall not apply to employees who were promoted into their position.

**Section 6. Performance Pay**

Upward movement within the established salary range for an employee is not automatic, but rather based upon specific performance-related criteria. Procedures for determining performance levels and performance pay increases or other performance-related movement within the range shall be established in procedures approved by the Town Manager.

**Section 7. Performance Pay Bonus**

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

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

**Promotions**. When an employee is promoted, the employee's salary shall normally be advanced to the hiring rate of the new position, or to a salary which provides an increase of at least approximately 10% over the employee's salary before the promotion, provided, however, that the new salary may not exceed the maximum rate of the new salary range. The purpose of the promotion pay increase is to recognize and compensate the employee for taking on increased responsibility.

**Demotions**. When an employee is demoted to a position for which qualified, the salary shall be set at the rate in the lower pay range which provides a salary commensurate with the employee's qualifications to perform the job and is internally equitable with other employees performance in that job, when the demotion is not the result of discipline. If the current salary is within the new range, the employee's salary may be retained at the previous rate if appropriate. If the demotion is the result of discipline, the salary shall be decreased at least approximately 5%, and may be no greater than the maximum of the new range.

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

**Reclassifications**. An employee whose position is reclassified to a class having a higher salary range shall receive a pay increase of approximately 5% or an increase to the hiring rate of the new pay range, whichever is higher. If the employee has completed probation, the employee's salary shall be advanced to at least the minimum rate in the new range. If the position is reclassified to a lower pay range, the employee's salary shall remain the same. If the employee's salary is above the maximum established for the new range, the salary of that employee shall be maintained at the current level until the range is increased above the employee's salary.

**Section 9. Salary Effect of Salary Range Revisions**

When a class of positions is assigned to a higher salary range, employees in that class shall receive a pay increase of at least approximately 5%, or to the hiring rate of the new range, whichever is higher. If the employee has passed probation, the employee's salary shall be advanced at least to the minimum rate in the new range. When a class of positions is assigned to a lower salary range, the salaries of employees in that class will remain unchanged. If this assignment to a lower salary range results in an employee being paid at a rate above the maximum step established for the new class, the salary of that employee shall be maintained at that level until such time as the employee's salary range is increased above the employee's current salary.

**Section 10. Transition to a New Salary Plan**

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

1) No employee shall receive a salary reduction as a result of the transition to a new salary plan.

2) All employees being paid at a rate lower than the hiring rate established for their respective classes shall have their salaries raised to the new hiring rate for their classes.

3) All employees being paid at a rate below the maximum rate established for their respective classes shall be paid at a rate in the designated salary range.

4) All employees being paid at a rate above the maximum rate established for their respective classes shall be maintained at that salary level until such time as the employees' salary range is increased above the employees' current salary.

**Section 11. Effective Date of Salary Changes**

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

**Section 12. Overtime Pay Provisions**

Employees of the Town can be requested and may be required to work in excess of their regularly scheduled hours as necessitated by the needs of the Town and determined by the department head. Overtime must be approved in advance by the department head or Town Manager.

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

Non-exempt employees will be compensated in either time or pay at a straight time rate for hours up to the FLSA established limit for their position (usually 40 hours in a 7 day period; and 171 hours for police personnel in a 28 day cycle;). Hours worked beyond the FLSA established limit will be compensated in either time or pay at the appropriate overtime rate. In determining eligibility for overtime in a work period, only hours actually worked shall be considered; in no event will vacation, sick leave, or holidays be included in the computation of hours worked for FLSA purposes.

Compensatory leave requires approval by the Town Manager when creating a balance that exceeds 100 hours. Whenever practicable, departments will schedule time off on an hour-for-hour basis within the applicable work period for non-exempt employees, instead of paying overtime. When time off within the work period cannot be granted, overtime worked will be paid in accordance with the FLSA. Accumulated compensatory leave must be used before the use of sick or vacation leave.

In emergency situations, where employees are required to work long and continuous hours, the Town Manager may approve compensation at time and one half for those hours worked and/or grant time off with pay for rest and recuperation to ensure safe working conditions.

Employees in positions determined to be exempt from the FLSA (as Executive, Administrative, or Professional staff) will not receive pay for hours worked in excess of their normal work periods.

**Section 13. Call-back and Stand-by Pay**

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

**Call-back**. Non-exempt employees will be guaranteed a minimum payment of two hour's wages for being called back to work outside of scheduled working hours. "Call-back" provisions do not apply to previously scheduled overtime work.

**Stand-by**. Non-exempt employees required to be on "stand-by" duty will be paid for five hours of work for each week (approximately 128 hours, excluding work time) of stand-by time they serve. Stand-by compensation for less than one full week shall be determined by the ratio of .04 hours of pay per one hour of stand-by time. Hours actually worked while on stand-by are calculated beginning when the employee reports to the work site and are added to the regular total of hours worked for the week. Stand-by time is defined as that time when an employee must carry a communication device and must respond immediately to calls for service.

Standby time is normally assigned in seven day increments. Employees designated for standby time must be fit for duty (not under the influence of any alcohol or drugs) and able to respond within 15 minutes. Standby schedule changes must be approved by the department head.

**Section 14. Payroll Deduction**

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

**Section 15. Hourly Rate of Pay**

Employees working in a part-time or temporary capacity with the same duties as full-time employees will work at a rate in the same salary range as the full-time employees. The hourly rate for employees working other than 40 hours per week, such as police officers working an average 42 hours per week, will be

determined by dividing the average number of scheduled work hours per year into the annual salary for the position.

**Section 16. Longevity Pay**

Full-time and part-time employees of the Town are compensated for years of service by payment of a longevity supplement based on the following table:

| Years of Service | Longevity Amount |
|---|---|
| 1 - 4 | $100 |
| 5 - 9 | $300 |
| 10 -14 | $500 |
| 15 -19 | $750 |
| 20 plus | $1000 |

Years of service are calculated on a calendar year basis as of June 30 of each year.

Longevity pay will be issued on the last regular pay period in November or on a date in November designated by the Town Manager.

**Section 17. Pay for Interim Assignment to a Higher Level Classification**

An employee who is formally designated to perform the duties of a job that is assigned to a higher salary grade than that of the employee's regular classification shall receive an increase for the duration of the interim assignment. The employee shall receive a salary adjustment to the hiring rate of the job in which the employee is serving in the interim capacity, or an increase of 10%, whichever is greater. The salary increase shall be temporary and the employee shall go back to the salary he or she would have had if not assigned in the interim role upon completion of the assignment.

## ARTICLE IV. RECRUITMENT AND EMPLOYMENT

### Section 1. Equal Employment Opportunity Policy

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

### Section 2. Implementation of Equal Employment Opportunity Policy

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

### Section 3. Recruitment, Selection and Appointment

**Recruitment Sources**. When position vacancies occur, department heads shall publicize these opportunities for employment, including applicable salary information and employment qualifications. Information on job openings and hiring practices will be provided to recruitment sources, including organizations and news media available to minority applicants. In addition, notice of vacancies shall be posted at designated conspicuous sites within departments. Individuals shall be recruited from a geographic area as wide as necessary to ensure that well-qualified applicants are obtained for Town service. The North Carolina Department of Commerce, Division of Employment Security shall normally be used as a recruitment source.

**Job Advertisements**. Jobs will be advertised in local newspapers, professional publications, and other relevant publications in order to establish a diverse and qualified applicant pool. Employment advertisements shall contain assurances of equal employment opportunity and shall comply with Federal and State statutes.

**Application for Employment**. All persons expressing interest in employment with the Town shall be given the opportunity to file an application for employment for positions which are vacant during the established recruitment period.

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

**Selection**. Department heads shall make such investigations and conduct such examinations as necessary to assess accurately the knowledge, skills, and experience qualifications required for the position. All selection devices administered by the Town shall be valid measures of job performance. Once a conditional offer has been made, the Town may conduct a pre-employment background check, credit check, criminal history, and drug screen prior to final approval.

**Appointment**. Before any commitment is made to an applicant either internal or external, the department head shall make recommendations to the Town Manager with a recommendation of the position to be filled, the salary to be paid, and the reasons for selecting the candidate over other candidates. The Town Manager shall approve appointments and the starting salary for all applicants.

**Section 4. Probationary Period**

An employee appointed or promoted to a permanent position shall serve a probationary period. Employees shall serve a six month probationary period, except that emergency personnel such as sworn police personnel and department heads shall serve a twelve month probationary period. During the probationary period, supervisors shall monitor an employee's performance and communicate with the employee concerning performance progress. Employees serving twelve-month probation shall have a probationary review at the end of six months as well as before the end of twelve months.

Before the end of the probationary period, the supervisor shall conduct a performance evaluation conference with the employee and discuss accomplishments, strengths, and needed improvements. A summary of this discussion should be documented in the employee's personnel file. The supervisor shall recommend in writing whether the probationary period should be completed, extended, or the employee transferred, demoted, or dismissed. Probationary periods may be extended for a maximum of six additional months.

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

**Section 5. Promotion**

Promotion is the movement of an employee from one position to a vacant position in a class assigned to a higher salary range. It is the Town's policy to create career opportunities for its employees whenever possible. Therefore, when a current employee applying for a vacant position is best suited of all applicants, that applicant shall be appointed to that position.

The Town will balance three goals in the employment process: 1) the benefits to employees and the organization of promotion from within; 2) providing equal employment opportunity and a diversified workforce to the community; and 3) obtaining the best possible employee who will provide the most productivity in that position.

Therefore, except in rare situations where previous Town experience is essential or exceptional qualifications of an internal candidate so indicate, the Town will consider external and internal candidates for selection rather than automatically promote from within. Candidates for promotion shall be chosen on the basis of their qualifications and their work records. Internal candidates shall apply for promotions using the same application process as external candidates.

**Section 6. Demotion**

Demotion is the movement of an employee from one position to a position in a class assigned to a lower

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

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

**Section 7. Transfer**

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

## ARTICLE V. CONDITIONS OF EMPLOYMENT

### Section 1. Work Schedule

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

### Section 2. Political Activity

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

1) Engage in any political or partisan activity while on duty;

2) Use official authority of influence for the purpose of interfering with or affecting the result of a nomination or an election for office;

3) Be required as a duty of employment or as condition for employment, promotion or tenure of office to contribute funds for political or partisan purposes;

4) Coerce or compel contributions from another employee of the Town for political or partisan purposes;

5) Use any supplies or equipment of the Town for political or partisan purposes; or

6) Be a candidate for nomination or election to office under the Town Charter.

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

### Section 3. Outside Employment

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

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

1) Employment with organizations or in capacities that are regulated by the employee or employee's department; or

2) Employment with organizations or in capacities that negatively impact the employee's perceived integrity, neutrality, or reputation related to performance of the employee's Town duties.

**Section 4. Dual Employment**

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

**Section 5. Employment of Relatives**

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

1) Result in a relative supervising relatives;

2) Result in a relative auditing the work of a relative;

3) Create a conflict of interest with either relative and the Town; or

4) Create the potential or perception of favoritism.

This provision shall not apply retroactively to anyone employed when the provision is adopted by the Town. Should a family member (as defined in Article VII, Section 12) of a current employee be elected to the Town Board, the employee must resign within six months of the relative taking office.

**Section 6. Harassment Prohibited**

The Town prohibits harassment in any form that is based on race, color, religion, sex, national origin, age, disability, genetic information, military status, or other characteristic protected by federal, state, or local law. Employees are to be protected from harassment by other Town employees (including co-workers, supervisors, and subordinates), as well as non-employees present in the workplace or interacting with Town employees in connection with their duties (including elected officials, advisory board members, contractors, vendors, and citizens).

Harassment includes, but is not limited to, epithets, slurs, jokes, negative stereotyping, threats or intimidation, or any unwelcome similar verbal or physical conduct that denigrates or shows hostility or aversion towards an individual because of any of the legally protected attributes mentioned above. Harassing conduct also includes display or circulation in the workplace of written or graphic material that denigrates or shows hostility or aversion toward an individual or group (including through e-mail). Harassment because of an individual's legally protected attributes which threatens to affect an employee's evaluation, wages, advancement, assigned duties, shifts, or other terms or condition of employment is also not tolerated.

Sexual harassment is defined by the Equal Employment Opportunity Commission (EEOC) as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when 1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; 2) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment. Sexual harassment includes repeated offensive sexual remarks, continual or repeated comments about an individual's body and offensive sexual language.

Petty slights, annoyances, and isolated incidents (unless extremely serious) will not rise to the level of illegality. To be unlawful, the conduct must create a work environment that would be intimidating, hostile, or offensive to reasonable people. Harassment can occur in a variety of circumstances including, but not limited to, the following: 1) The harasser can be the victim's supervisor, a supervisor in another area, an agent of the employer, a co-worker, or a non-employee. 2) The victim does not have to be the person harassed, but can be anyone affected by the offensive conduct. 3) Unlawful harassment may occur without economic injury to, or discharge of, the victim.

Any employee who believes he or she has been subjected to, or has witnessed, unlawful harassment should report the incident as soon as possible to a supervisor, department head, Human Resources Officer, or Town Manager. If an employee makes the Town aware of a possible violation of this policy, the Town is obligated to investigate. All complaints of unlawful harassment will be investigated promptly and impartially, with confidentiality maintained to the greatest extent practical. The employee who brought forth the incident will be notified of the outcome of the investigation.

Employees at any level who are found to have engaged in unlawful harassment of another employee will be subject to disciplinary action up to and including termination. Any employee who knows about a violation of this policy, and takes no action to stop it by reporting it, may be disciplined as well. No individual will be subject to any form of discipline or retaliation for reporting, in good faith, a claim of discrimination or harassment, or otherwise cooperating in the investigation of a claim.

**Section 7. Solicitation and Acceptance of Gifts and Favors**

No official or employee of the Town shall solicit or accept any gift, favor, or thing of value that may tend to influence such employee in the discharge of the employee's duties, or grant in the discharge of duty an improper favor, service, or thing of value (normally $50 value or more in one year from one source).

**Section 8. Performance Evaluation**

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

**Section 9. Safety**

Safety is the responsibility of both the Town and employees. It is the policy of the Town to establish a safe work environment for employees. The Town shall establish a safety program including policies and procedures regarding safety practices and precautions and training in safety methods. Department heads and supervisors are responsible for insuring the safe work procedures of all employees and providing necessary safety training programs. Employees shall follow the safety policies and procedures and attend

safety training programs as a condition of employment. Employees who violate such policies and procedures shall be subject to disciplinary action up to and including dismissal.

**Section 10. Substance Abuse Policy**

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

**Section 11. Use of Town Supplies and Equipment**

Town equipment, materials, tools and supplies shall not be available for personal use nor be removed from Town property except in conduct of official Town business. Use of electronic equipment including mobile phones, and computers are subject to procedures as established by the Town Manager. Town employees shall provide reasonable care for any Town equipment and/or vehicle as a duty and function of their job requirements and will be accountable for the equipment/vehicle.

Vehicles are to be used exclusively for official Town business, except that by special approval by the Manager, an employee may be directed to take the vehicle home when doing so shall serve the best interest of the Town. Use of Town vehicles for commuting to and from work shall usually be limited to an employee who is subject to emergency call-back work. IRS guidelines will dictate any charges which shall accrue to the employee.

No individual shall operate or ride in a Town vehicle except as is required for the conduct of official Town business.

**Section 12. Adverse Weather and Emergency Conditions Policy**

The Town has responsibility for providing emergency services. Adequate staff is required to operate these critical services seven days per week and 24 hours per day in all weather. Department heads should designate which staff in critical positions are required to report to work regardless of weather or other hazardous conditions. Town offices and departments shall remain open for the full scheduled working day unless authorization for closing or other deviation is received from the Town Manager's office.If the office is open, non-critical personnel who choose to report late or stay home due to concerns over travel conditions must notify their supervisor. The amount of time absent from work will be charged to an employee's vacation leave, compensatory leave, or taken as leave without pay. If the Town Manager closes the office, employees not reporting to the office will not be charged for use of leave or compensatory time. Employees reporting to the office to work on assignments when work is delayed or while the office is closed due to inclement weather will receive compensatory time on an hour for hour basis.

Critical staff are required to report in emergency situations and should make preparations for care of family and personal needs to allow them to report for duty when required. Any employee in a position designated as critical who does not report to work as directed by the Town Manager or appropriate department head will be subject to disciplinary action.

## ARTICLE VI. EMPLOYEE BENEFITS

### Section 1. Eligibility

All full-time and part-time employees of the Town are eligible for employee benefits as provided for in this Article which are subject to change at the Town's discretion. Temporary employees are eligible only for workers' compensation and Social Security.

### Section 2. Group Health and Hospitalization Insurance

The Town provides group health and hospitalization insurance programs for full-time and part-time employees and may pay a portion, all, or none of the cost of health insurance for dependents.

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

Information concerning cost and benefits shall be available to all employees.

### Section 3. Group Life Insurance

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

### Section 4. Other Optional Group Insurance Plans

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

### Section 5. Retirement

Each employee who is expected to work for the Town more than 1,000 hours annually shall join the North Carolina Local Governmental Employees' Retirement System when eligible as a condition of employment. New hires who are current members of the NC Local or State Governmental Employees' Retirement Systems shall be covered under the retirement system by the Town on their first day of employment.

Retiree Health Insurance:

Employees hired on or before June 30, 2018 who obtain service or disability retirement under the provisions of the Local Governmental Employees' Retirement System and who are 55 years of age or older may be eligible for retiree health insurance as follows:

| Years of Service to the Town | Benefit |
|---|---|
| 0 to 10 years | No benefit |
| 11 - 14 years | 50% cost share |
| 15 or more years | 100% paid by Town |

Employees hired prior to January 1, 2006 receive benefits described above upon meeting eligibility requirements regardless of age.

Once a retiree becomes eligible for Medicare, the Town shall provide a Medicare supplement insurance benefit, which will be secondary to Medicare. Such benefit may not exceed the cost of the Town's monthly premium for standard employee health insurance.

Employees hired on or after July 1, 2018 who retire from Town service and qualify for benefits under the provisions of the Local Governmental Employees' Retirement System may be eligible for retiree health insurance as follows:

| Years of Continuous Service to the Town | Benefit |
|---|---|
| 0 to 19 years | No benefit |
| 20-29 years | 50% cost share |
| 30 or more years | 100% paid by Town |

At the time of their 65th birthday or Medicare eligibility, the coverage will be terminated and the Town will no longer be responsible for providing health insurance for the retiree.

**Section 6. Supplemental Retirement Benefits**

The Town may provide supplemental retirement benefits for its full and part-time employees. Each law enforcement officer shall receive 401-K benefits as prescribed by North Carolina State Law. Each general employee may receive supplemental benefits as approved by the Board of Commissioners.

**Section 7. Social Security**

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

**Section 8. Workers' Compensation**

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

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

**Section 9. Unemployment Compensation**

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

**Section 10. Tuition Assistance Program**

Full-time employees who have completed initial probation may apply for tuition reimbursement for courses taken on their own time, which will improve their skills for their current job or prepare them for promotional opportunities within the Town service. Tuition, registration, fees, laboratory fees, and student fees are eligible expenses. Employees may be reimbursed eligible expenses up to a total of one thousand dollars ($1000) per fiscal year. Satisfactory completion (achieving a grade of at least "C" or a grade high enough to receive course credit, whichever is higher) of the courses will be required for reimbursement. Requests for tuition assistance shall be submitted to the department head prior to course registration and are subject to the review and approval of Town Manager, subject to availability of funds.

**Section 11. Law Enforcement Separation Allowance**

Every sworn law enforcement officer, as defined by N.C. Gen. Stat. § 128-21(11b) or N.C. Gen. Stat. § 143-166.50, shall be eligible for a separation allowance, as provided by N.C. Gen. Stat. § 143-166.42, in the amount specified in N.C. Gen. Stat. § 143-166.41(a). The purpose of this allowance is to provide additional income until the law enforcement officer is eligible for social security benefits with the consideration that the law enforcement officer may no longer be able to perform law enforcement work. Given this purpose, eligibility and continuation of these benefits are subject to the following conditions:

1) The officer shall have completed 30 or more years of creditable service, or have attained 55 years of age and completed five or more years of creditable service; and

2) Not have attained 62 years of age;

3) Have completed at least five years of continuous service as a law enforcement officer immediately preceding a service retirement, as defined by N.C. Gen. Stat. §§ 143-166.41(a)(3) and 143-166.41(b); and

4) The law enforcement officer, after separation from employment with the Town, notifies the Town of any new law enforcement employment, including the nature and extent of the employment, within five (5) days of the new employment.

Such allowance shall terminate at death, or on the last day of the month in which the officer attains 62 years of age, or upon the first day of re-employment by any State or local law enforcement department, agency or institution, whether in North Carolina or elsewhere.

## ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

### Section 1. Policy

The policy of the Town is to provide vacation leave, sick leave, and holiday leave to all full-time and part-time employees, and to provide proportionately equivalent amounts to employees having average work weeks of different lengths. For the purposes of this Article, a day should be defined as the following:

An employee working an average of:

| | |
|---|---|
| 30 hours per week | 1 day of earned leave = 6.00 hours |
| 40 hours per week | 1 day of earned leave = 8.00 hours |
| 42 hours per week | 1 day of earned leave = 8.40 hours |
| 56 hours per week | 1 day of earned leave = 11.20 hours |

Employees shall accrue leave proportionately with each payroll.

### Section 2. Holidays

The Town will follow the holiday schedule for the State of North Carolina. The Town Manager will prepare a holiday schedule prior to the start of each calendar year and post it for employee information.

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

Regular holidays which occur during a vacation, sick or other leave period of any employee shall not be considered as vacation, sick, or other leave. Employees forfeit their right to holiday pay if they have an unpaid absence on the regularly scheduled workday before or after the holiday.

### Section 4. Holidays: Compensations When Work is Required or Regularly Scheduled Off for Shift Personnel

Employees required to perform work on regularly scheduled holidays may be granted compensatory time off or be paid at their hourly rate for hours actually worked in addition to any holiday pay to which they are entitled. If a holiday falls on a regularly scheduled off-duty day for shift personnel, the employee shall receive the hours for paid holiday leave.

### Section 5. Vacation Leave

Vacation leave is intended to be used for rest and relaxation, and may be used for medical appointments.

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

**Section 6. Vacation Leave: Use by Probationary Employees**

Employees serving a probationary period following initial employment may accumulate vacation leave but shall not be permitted to take vacation leave during the probationary period, unless approved by the Town Manager. The Town Manager may advance vacation leave to probationary employees in an amount not to exceed 5 days. If the employee subsequently leaves employment with the Town before the advanced leave has been earned, the employee must repay the Town the value of the unearned vacation leave. Employees shall otherwise be allowed to take accumulated vacation leave after six months of service.

**Section 7. Vacation Leave: Accrual Rate**

Each full and part-time employee of the Town shall earn vacation leave at the following schedule, prorated by the average number of hours in the workweek:

| Years of Service | Days Accrued Per Year |
|---|---|
| 0 - 4 | 12 |
| 5 - 9 | 15 |
| 10 - 14 | 18 |
| 15 - 19 | 20 |
| 20 plus | 24 |

**Section 8. Vacation Leave: Maximum Accumulation**

Vacation leave may be accumulated without any applicable maximum until December 31 of each year. However, if the employee departs from service, payment for accumulated vacation leave shall not exceed 30 days. Effective the last payroll in the calendar year, any employee with more than 30 days of accumulated leave shall have the excess accumulation removed so that only 30 days are carried forward to January 1 of the next calendar year. Employees are not eligible to receive pay for vacation time not taken.

Employees who take a minimum of 5 days of vacation leave during the calendar year may have any excess vacation leave (over 30 days) converted to sick leave. Employees who do not take a minimum of 5 days of vacation leave will lose the excess vacation (over 30 days).

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

**Section 9. Vacation Leave: Manner of Taking**

Employees shall be granted the use of earned vacation leave upon request in advance at those times designated by the department head which will least obstruct normal operations of the Town. Department heads are responsible for insuring that approved vacation leave does not hinder the effectiveness of service delivery.

**Section 10. Vacation Leave: Payment upon Separation**

An employee who has successfully completed six months of the probationary period will normally be paid for accumulated vacation leave upon separation not to exceed 30 days, provided notice is given to the supervisor at least two weeks in advance of the effective date of resignation. Any employee failing to give the notice required by this section shall forfeit payment for accumulated leave. The notice requirement may be waived by the Town Manager when deemed to be in the best interest of the Town. Employees who are involuntarily separated shall receive payment for accumulated vacation leave subject to the 30 day maximum.

**Section 11. Vacation Leave: Payment upon Death**

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

**Section 12. Sick Leave**

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

Sick leave may be used when an employee must care for a member of his or her immediate family who is ill.

Sick leave may also be used for death in the employee's immediate family, but may not exceed three days for any single occurrence. The Town Manager may extend up to two additional days fi there are extenuating circumstances. Additional leave time required for such occurrence may be charged to vacation or other approved leave when approved by the department head and/or Town Manager.

Sick leave may also be used to supplement workers' compensation leave during the waiting period before workers' compensation benefits begin.

"Immediate family" shall be defined as spouse, child, parent, brother, sister, grandparent, grandchild, and the various combinations of half, step, in-law, and adopted relationships that can be derived from those named.

Notification of the desire to take sick leave should be submitted to the employee's supervisor prior to the leave or according to departmental procedures.

**Section 13. Sick Leave: Accrual Rate and Accumulation**

Sick leave shall accrue at a rate of one day per month of service or twelve days per year. Sick leave for full-time and part-time employees working other than the basic work schedule shall be pro-rated as described in this Article. Sick leave will be cumulative for an indefinite period of time and may be converted upon retirement for service credit consistent with the provisions of the North Carolina Local Governmental Employees' Retirement System.

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

due to reduction in force.

**Section 14. Transfer of Sick Leave from Previous Employer**

The Town will accept the transfer of sick leave for employees from other employers who are participants of the Local or State Governmental Employees' Retirement System. The sick leave will be treated as though it were earned with the Town of Rolesville. The sick leave amount must be certified by the previous employer.

**Section 15. Sick Leave: Medical Certification**

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

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

2) There will be no abuse of leave privileges.

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

**Section 15.1. Parental Leave**

A regular full-time or part-time employee who has worked for the Town of Rolesville for at least 12 months and who qualifies for family and medical leave may request paid parental leave. Paid parental leave must be used within 12 months of the date of the qualifying event. Qualifying events include: 1) birth of a child of the employee, 2) legal placement of a child with the employee for adoption, foster care, or guardianship; or 3) placement of a child with the employee for whom the employee permanently assumes and discharges parental responsibilities (in loco parentis).

The amount of parental leave for any one person shall not exceed 6 weeks in a rolling 12 month period. If both parents are employed by the Town of Rolesville and have one qualifying event, each parent is eligible for the 6 weeks of paid parental leave, either consecutively or intermittently. Paid parental leave shall run concurrently with family and medical leave. After paid parental leave has been exhausted, employees shall use other appropriate forms of accrued paid leave before requesting leave without pay.

An employee who fails to remain in an active status for a minimum of 12 months after returning from paid parental leave will be required to reimburse the Town for any paid parental leave received. The value of the paid parental leave received will be deducted from the employee's final paycheck, including any annual leave to be paid out.

**Section 16. Donation of Leave**

Employees may donate some of their accumulated sick or vacation leave to other Town employees. The donating employee must make a written request to the Town Manager, and the amount donated cannot

leave the donor's leave balance below 80 hours. In order to donate leave, the recipient must have a prolonged illness of self or immediate family which will result in the exhaustion of all earned sick leave. Only sick and vacation leave may be transferred. Compensatory leave and other forms of leave may not be transferred among employees. Transfer of leave is subject to approval by the Town Manager.

**Section 17. Leave Pro-rated**

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

1) The number of hours worked by such employees shall be divided by the number of hours in the basic work week (usually 40 hours).

2) The proportion obtained in step 1 shall be multiplied by the number of hours of leave earned annually by employees working the basic work week.

3) The number of hours in step 2 divided by 26 shall be the number of hours of leave earned biweekly by the employees concerned.

**Section 18. Family and Medical Leave**

The Town will grant up to 12 weeks of family and medical leave per twelve months to eligible employees. The leave may be paid, unpaid, or a combination of paid and unpaid. Unpaid leave will be granted only when the employee has exhausted all appropriate types of paid leave (such as compensatory time, vacation, or sick leave). Additional time away from the job beyond the 12-week period may be approved in accordance with the Town's Leave Without Pay policy.

Military Caregiver Leave: An employee whose spouse, son, daughter, parent or next of kin is a current service member who is undergoing treatment, therapy, recuperation or outpatient treatment or has temporary disability retirement for injury or illness sustained in the line of duty, is eligible for 26 weeks of leave in a single 12 month period. During a single 12 month period, the employee is eligible for a total of 26 weeks of all types of family and medical leave.

**Section 19. Family and Medical Leave: Eligibility and Purpose**

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

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

1) The birth of a child and in order to care for that child;

2) The placement of a child for adoption or foster care;

3) To care for a spouse, child, or parent with a serious health condition;

4) The serious health condition of the employee; or

5) Military exigency.

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

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

A military exigency is a qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a military service member (reserve or national guard) under a call or order to federal active duty in support of a contingency operation. Qualifying events are:

1) Deployment of service member with seven or fewer days notice;

2) Military ceremonies and events such as family-assistance or informational programs related to the family member's active duty or call to active duty;

3) Urgent, immediate childcare or arranging for alternative childcare for the children of service members;

4) Attending school or daycare meetings relating to the child of service member;

5) Making financial or legal arrangements related to a family member's active duty status or call to active duty; or

6) Post-deployment activities for a period of ninety days after the termination of the service member's active duty status.

If both spouses work for the Town and each wishes to take family and medical leave for the same qualifying event, the spouses together may only take a total of 12 weeks of family and medical leave.

An employee taking leave for the birth of a child may use paid sick leave for the period of actual disability, based on medical certification. The employee shall then use all paid vacation and accrued compensatory time for the remainder of the 12-week period.

**Section 20. Family and Medical Leave: Request and Certification**

The request for the use of leave must be made in writing by the employee and approved by the department head or Town Manager. In an emergency, the request for family and medical leave must be made as soon as reasonably practical. On its own initiative, the Town may designate leave as family and medical leave.

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

employee's presence would be beneficial or desirable.

An employee seeking family and medical leave because of any qualifying military exigency must provide a certification, in a timely manner, of such active duty or impending call to active duty. In order to qualify for family and medical leave to care for a service member, the employee must provide a certification issued by a health care provider of the service member being cared for by the employee that the service member is in need of care by the employee.

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

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

**Section 21. Family Medical Leave: Retention and Continuation of Benefits**

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

Other insurance and payroll deductions are the responsibility of the employee and the employee must make those payments for continued coverage of that benefit. The taking of unpaid family and medical leave does not constitute a break in service for purposes of vesting and eligibility to participate in the Town's pension and retirement plans. An employee shall retain all unused vacation and sick leave while on leave without pay. An employee ceases to earn leave credits on the date leave without pay begins.

**Section 22. Leave Without Pay**

A full or part-time employee may be granted a leave of absence without pay for a period of up to twelve months by the Town Manager. The leave shall be used for reasons of:

1) Personal disability after both sick leave and vacation have been exhausted,

2) Sickness or disability of immediate family members,

3) Continuation of education,

4) Special work that will permit the Town to benefit by the experience gained or the work performed, or

5) Other reasons deemed justified by the Town Manager.

The employee shall apply in writing to the supervisor for leave. The employee is obligated to return to duty within or at the end of the time determined appropriate by the Town Manager. Upon returning to duty after being on leave without pay, the employee shall be entitled to return to the same position held

at the time leave was granted or to one of like classification, seniority, and pay. If the employee decides not to return to work, the supervisor shall be notified immediately. Failure to report at the expiration of a leave of absence, unless an extension has been requested, shall be considered a resignation.

The employee may continue to be eligible for benefits under the Town's group insurance plans at his or her own expense, subject to any regulation adopted by the Commissioners and the regulations of the insurance carrier. An employee shall retain any unused vacation and sick leave while on leave without pay. An employee ceases to earn leave credits on the date leave without pay begins. In addition, employer and employee contributions to the NC Local Government Retirement System will not be reported when on unpaid status, nor will the employee receive retirement service credit. Contributions to the supplemental 401(k) retirement plan will cease while an employee is on unpaid leave status.

**Section 23. Workers' Compensation Leave**

All injuries arising out of, and during, the course of employment should be reported by the injured employee to the immediate supervisor as soon as possible. The supervisor or department head shall file an injury report to the Human Resources Officer immediately.

An employee absent from duty because of sickness or disability covered by the North Carolina Workers' Compensation Act may elect to use accrued compensatory leave, sick leave or vacation leave during the first 7 day waiting period. These 7 days will be reimbursed only if the disability continues for more than twenty-one (21) days. When this occurs, the employee may return the reimbursement check to the Town and have leave hours reinstated for all time covered by paid leave. After the initial 7 days, or earlier if the employee has exhausted all available leave, the employee is placed on workers' compensation leave without pay.

The employee may also elect to supplement workers' compensation payments after they begin with compensatory time, sick leave, or vacation leave provided that the supplemental leave shall only be used to cover payroll deductions such as medical, vision, or dental insurance. These supplemental leave benefits are subject to withholdings such as income taxes, social security, and medicare.

Workers compensation leave may also be designated by the Town as family and medical leave, thereby reducing the family and medical leave available.

An employee on workers' compensation leave may be permitted to continue to be eligible for benefits under the Town's group insurance plans. While receiving workers' compensation benefits, an employee ceases to earn vacation and sick leave, but will retain all accumulated sick or annual leave. In addition, employer and employee contributions to the NC Local Government Retirement System will not be reported when on unpaid status, nor will the employee receive retirement service credit. Contributions to the supplemental 401(k) retirement plan will cease while an employee is on unpaid status.

Before returning to work, a statement from the attending physician should be submitted to the Human Resources Officer certifying that the employee is fit to return to work and what, if any, restrictions are in place.

Upon return to work, the employee's salary will be computed on the basis of the last salary plus any merit increment or other salary increase to which the employee would have been entitled during the disability covered by workers' compensation. The Town shall attempt to reinstate the employee to his original position or comparable position held prior to workers' compensation leave, or a position deemed suitable to fit medical restrictions. Reasonable accommodations will be attempted in order to comply with the

Americans with Disabilities Act. If an employee who has been on workers' compensation leave is released to return to full duty by his physician, and refuses suitable employment in keeping with his capacity, the Town has the right to determine appropriate separation procedures.

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

**Section 24. Military Leave**

This section relates to military leave which is limited to a maximum of twenty workdays per calendar year. When employees are called for active duty, the Town will follow all federal regulations including USERRA related to job, wages, and benefits protections. Regular employees who are members of an Armed Forces Reserve organization or National Guard shall be granted ten workdays per year for military leave without pay. On rare occasions due to annual training being scheduled on a federal fiscal year basis, an employee may be required to attend two periods of training in one calendar year. For this purpose only, an employee shall be granted an additional ten days of military leave during the same calendar year. If such duty is required beyond the additional ten workdays, the employee shall be eligible to take accumulated vacation leave or be placed in a leave without pay status, and the provisions of that leave shall apply. While taking military leave, the employee's leave credits and other benefits shall continue to accrue as if the employee physically remained with the Town during this period. Employees who are eligible for military leave have all job rights specified by the Vietnam Veterans Readjustment Act.

**Section 25. Reinstatement Following Military Service.**

The Town will fully comply with the requirements of USERRA and other related federal regulations. An employee called to extended active duty with the United States military forces, who does not volunteer for service beyond the period for which called, shall be reinstated with full benefits provided the employee:

1) Applies for reinstatement within ninety days after the release from military service; and

2) Is able to perform the duties of the former position or similar position; or

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

**Section 26. Civil Leave**

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

**Section 27. Parental School Leave**

A Town employee who is a parent, guardian, or person standing in loco parentis (in place of the parent) may take up to four hours of unpaid leave annually to involve him or herself in school activities of his or her child(ren). This leave is subject to the three following conditions:

1) The leave must be taken at a time mutually agreed upon by the employee and the Town;

2) The Town may require the employee to request the leave in writing at least 48 hours prior to the time of the desired leave; and

3) The Town may require written verification from the child's school that the employee was involved at the school during the leave time.

Paid leave (vacation time) taken by an employee to attend to school activities of his or her child shall count toward the fulfillment of this provision by the Town.

## ARTICLE VIII. SEPARATION AND REINSTATEMENT

### Section 1. Types of Separations

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

### Section 2. Resignation

An employee may resign by submitting the reasons for resignation and the effective date in writing to the immediate supervisor as far in advance as possible. In all instances, the minimum notice requirement is two weeks. Proper minimum two week notice is defined as two working weeks. Vacation, sick leave or the use of compensatory time shall not be considered part of an employee's two week notice without written permission from the employee's department head or Town Manager. Failure to provide minimum notice shall result in forfeit of payment for accumulated vacation leave unless the notice is waived upon recommendation of the department head and approval by the Town Manager.

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

### Section 3. Reduction in Force.

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

### Section 4. Disability

An employee who cannot perform the essential duties of a position because of a physical or mental impairment may be separated for disability. The Town will first determine if reasonable accommodation may be provided or if other provisions of the Americans With Disabilities Act apply. Action may be initiated by the employee or the Town. In cases initiated by the employee, such action must be accompanied by medical evidence acceptable to the Town Manager. The Town may require an examination, at the Town's expense, performed by a physician of the Town's choice.

### Section 5. Voluntary Retirement

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

### Section 6. Dismissal

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

**Section 7. Death**

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

**Section 8. Reinstatement**

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

**Section 9. Rehiring**

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

## ARTICLE IX. UNSATISFACTORY JOB PERFORMANCE AND DETRIMENTAL PERSONAL CONDUCT

### Section 1. Disciplinary Action for Unsatisfactory Job Performance

A regular employee may be placed on disciplinary suspension, demoted, or dismissed for unsatisfactory job performance, if after following the procedure outlined below, the employee's job performance is still deemed to be unsatisfactory. All cases of disciplinary suspension, demotion, or dismissal must be approved by the Town Manager prior to giving final notice to the employee.

### Section 2. Unsatisfactory Job Performance Defined

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

1) Demonstrated inefficiency, negligence, or incompetence in the performance of duties;
2) Careless, negligent or improper use of Town property or equipment;
3) Physical or mental incapacity to perform duties;
4) Discourteous treatment of the public or other employees;
5) Absence without approved leave;
6) Improper use of leave privileges;
7) Failure to report for duty at the assigned time and place;
8) Failure to complete work within time frames established in work plan or work standards;
9) Failure to meet work standards over a period of time; or
10) Failure to follow the chain of command to address work-related issues.

### Section 3. Communication and Warning Procedures Preceding Disciplinary Action for Unsatisfactory Job Performance

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

An employee whose job performance is unsatisfactory over a period of time should normally receive at least two warnings from the supervisor before disciplinary action resulting in dismissal is taken by the Town Manager. In each case, the supervisor should record the dates of discussions with the employee, the performance deficiencies discussed, the corrective actions recommended, and the time limits set. If the employee's performance continues to be unsatisfactory, then the supervisor should use the following steps:

1) A final written warning from the supervisor serving notice upon the employee that corrected performance must take place immediately in order to avoid suspension, demotion, or dismissal.

2) If performance does not improve, a written recommendation should be sent to the Town Manager for disciplinary action such as suspension, demotion, or dismissal.

Disciplinary suspensions should not generally exceed three days (24 hours) for nonexempt employees. Suspensions for exempt employees shall be for one full work week to retain the exempt status.

**Section 4. Disciplinary Action for Detrimental Personal Conduct**

With the approval of the Town Manager, an employee may be placed on disciplinary suspension, demoted, or dismissed without prior warning for causes relating to personal conduct detrimental to Town service in order to 1) avoid undue disruption of work; 2) protect the safety of persons or property; or 3) for other serious reasons.

Disciplinary suspensions should not generally exceed three days (24 hours) for nonexempt employees. Suspensions for exempt employees shall be for one full work week to retain the exempt status.

**Section 5. Detrimental Personal Conduct Defined**

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

1) Fraud or theft;

2) Conviction of a felony or the entry of a plea of nolo contendere thereto;

3) Falsification of records for personal profit, to grant special privileges, or to obtain employment;

4) Willful misuse or gross negligence in the handling of Town funds;

5) Willful or wanton damage or destruction to property;

6) Willful or wanton acts that endanger the lives and property of others;

7) Possession of unauthorized firearms or other lethal weapons on the job;

8) Brutality in the performance of duties;

9) Reporting to work under the influence of alcohol or drugs or partaking of such while on duty. Prescribed medication may be taken within the limits set by a physician as long as medically necessary;

10) Engaging in incompatible employment or serving a conflicting interest;

11) Request or acceptance of gifts in exchange for favors or influence;

12) Engaging in political activity prohibited by this policy;

13) Harassment of an employee(s) and/or the public on the basis of sex or any other protected class status; or

14) Stated refusal to perform assigned duties or flagrant violation of work rules and regulations.

**Section 6. Pre-disciplinary Conference.**

Before suspension, demotion, or dismissal action is taken, whether for failure in personal conduct or failure in performance of duties, the Town Manager or a department head will conduct a pre-disciplinary conference. At this conference, the employee may present any response to the proposed disciplinary action to the Town Manager or department head. The Town Manager or department head will consider the employee's response, if any, to the proposed disciplinary action, and will, within five working days following the pre-disciplinary conference, notify the employee in writing of the final decision to take disciplinary action. The notice of the final disciplinary action shall contain a statement of the reasons for the action and the employee's appeal rights.

**Section 7. Non-Disciplinary Suspension**

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

1) Temporarily relieve the employee of all duties and responsibilities and place the employee on paid or unpaid leave for the duration of the suspension, or

2) Assign the employee new duties and responsibilities and allow the employee to receive such compensation as is in keeping with the new duties and responsibilities.

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

## ARTICLE X. GRIEVANCE PROCEDURE AND ADVERSE ACTION APPEAL

### Section 1. Policy

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

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

### Section 2. Grievance Defined

A grievance is a claim or complaint by a current or a former employee based upon an event or condition, which affects the circumstances under which an employee works, allegedly caused by misinterpretation, unfair application, or lack of clear or consistent policy or practice pertaining to employment conditions. Grievances include the appeal of a disciplinary action, warning, performance evaluation, performance pay decision, etc.

### Section 3. Purposes of the Grievance Procedure

The purposes of the grievance procedure include, but are not limited to:

1) Providing employees with a procedure by which their complaints can be considered promptly, fairly, and without reprisal;

2) Encouraging employees to express themselves about the conditions of work which affect them as employees;

3) Promoting better understanding of policies, practices, and procedures which affect employees;

4) Increasing employees' confidence that personnel actions taken are in accordance with established, fair, and uniform policies and procedures; and

5) Increasing the sense of responsibility exercised by supervisors in dealing with their employees.

6) Encouraging conflicts to be resolved between employees and supervisors who must maintain an effective future working relationship, and therefore, encouraging conflicts to be resolved at the lowest level possible in the chain of command; and

7) Creating a work environment free of continuing conflicts, disagreements, and negative feelings about the Town or its leaders, thus freeing up employee motivation, productivity, and creativity.

### Section 4. Procedure

When an employee has a grievance, the following successive steps are to be taken unless otherwise provided elsewhere in this Article. The number of calendar days indicated for each step should be considered the maximum, unless otherwise provided, and every effort should be made to expedite the

process. However, the time limits set forth may be extended by mutual consent. The last step initiated by an employee shall be considered to be the step at which the grievance is resolved. A decision to rescind a disciplinary suspension, demotion or dismissal must be approved by the Town Manager before the decision becomes effective.

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

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

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

**Step 2**. If the grievance is not resolved to the satisfaction of the employee by the supervisor, the employee may appeal, in writing, to the appropriate department head within ten calendar days after receipt of the response from Step 1. The department head shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal.

**Step 3**. If the grievance is not resolved to the satisfaction of the employee at the end of Step 2, the employee may appeal, in writing, to the Town Manager within ten calendar days after receipt of the response from Step 3. The Town Manager shall respond to the appeal, stating the determination of decision within ten calendar days after receipt of the appeal. The Town Manager's decision shall be the final decision. The Town Manager would notify the Board of Commissioners of any impending legal action.

**Department Heads**. In the case of department heads or other employees where the Town Manager has been significantly involved in determining disciplinary action, including dismissal, the Town may wish to obtain a neutral outside party to either:

1) Provide mediation between the grieving department head and the Town Manager (see definition of mediation in "informal resolution" above); or

2) Consider an appeal and make recommendations back to the Town Manager concerning the appeal. Such parties might consist of human resource professionals, attorneys, mediators, or other parties appropriate to the situation.

The Town Manager's decision shall be the final decision in all grievances. The Town Manager would notify the Board of Commissioners of any impending legal action.

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

When an employee, former employee, or applicant, believes that any employment action discriminates illegally (ie. is based on race, color, religion, sex, national origin, age, disability, genetic information, military status, or political affiliation), he or she has the right to appeal such action using the grievance procedure outlined in this Article (Section 4 above). While such persons are encouraged to use the grievance procedure, they shall also have the right to appeal directly to the Town Manager. Employment actions subject to appeal because of discrimination include promotion, training, classification, pay, disciplinary action, transfer, layoff, failure to hire, or termination of employment. An employee or applicant should appeal an alleged act of discrimination within thirty calendar days of the alleged discriminatory action, but may appeal for up to six months following the action.

## ARTICLE XI. RECORDS AND REPORTS

### Section 1. Public Information

In compliance with GS 160A-168, the following information with respect to each Town employee is a matter of public record:

1) Name.

2) Age.

3) Date of original employment or appointment to the service.

4) The terms of any contract by which the employee is employed whether written or oral, past and current, to the extent that the Town has the written contract or a record of the oral contract in its possession.

5) Current position.

6) Title.

7) Current salary.

8) Date and amount of each increase or decrease in salary with the Town. For the purposes of this subsection, the term "salary" includes pay, benefits, incentives, bonuses, and deferred and all other forms of compensation paid by the Town.

9) Date and type of each promotion, demotion, transfer, suspension, separation, or other change in position classification with the Town.

10) Date and general description of the reasons for each promotion with the Town.

11) Date and type of each dismissal, suspension, or demotion for disciplinary reasons taken by the Town. If the disciplinary action was a dismissal, a copy of the written notice of the final decision of the Town setting forth the specific acts or omissions that are the basis of the dismissal.

12) The office to which the employee is currently assigned.

Any person may have access to this information for the purpose of inspection, examination, and copying, during regular business hours, subject only to such rules and regulations for the safekeeping of public records as the Town may adopt.

### Section 2. Access to Confidential Records

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

1) The employee or his/her duly authorized agent may examine all portions of his/her personnel file except letters of reference solicited prior to employment, and information concerning a medical disability, mental or physical, that a prudent physician would not divulge to the patient.

2) A licensed physician designated in writing by the employee may examine the employee's medical record.

3) A Town employee having supervisory authority over the employee may examine all material in the employee's personnel file.

4) By order of a court of competent jurisdiction, any person may examine all material in the employee's personnel file.

5) An official of an agency of the State or Federal Government, or any political subdivision of the State, may inspect any portion of a personnel file when such inspection is deemed by the Town Manager to be necessary and essential to the pursuit of a proper function of the inspecting agency, but no information shall be divulged for the purpose of assisting in a criminal prosecution of the employee, or for the purpose of assisting in an investigation of the employee's tax liability. However, the official having custody of the personnel records may release the name, address, and telephone number from a personnel file for the purpose of assisting in a criminal investigation.

6) An employee may sign a written release to be placed in his/her personnel file that permits the record custodian to provide, either in person, by telephone, or by mail, information specified in the release to prospective employers, educational institutions, or other persons specified in the release.

7) The Town Manager, with the concurrence of the Board of Commissioners, may inform any person of the employment, non-employment, promotion, demotion, suspension or other disciplinary action, reinstatement, transfer, or termination of a Town employee, and the reasons for that action. Before releasing that information, the Town Manager shall determine in writing that the release in essential to maintaining the level and quality of Town services. The written determination shall be retained in the Town Manager's office, is a record for public inspection, and shall become a part of the employee's personnel file.

**Section 3. Personnel Actions**

The Town Manager will prescribe necessary forms and reports for all personnel actions and will retain records necessary for the proper administration of the personnel system. There shall be one set of official personnel files, centrally located as designated by the Town Manager.

**Section 4. Records of Former Employees**

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

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

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

**Section 6. Penalties for Permitting Access to Confidential Records**

Section 160A-168 of the General Statues provides that any public official or employee who knowingly

and willfully permits any person to have access to any confidential information contained in an employee personnel file, except as expressly authorized by the designated custodian, is guilty of a misdemeanor and upon conviction shall be fined in an amount consistent with the General Statutes.

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

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

**Section 8. Destruction of Records Regulated**

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