



PERSONNEL POLICIES FY2024

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**REGION FIVE DEVELOPMENT COMMISSION
PERSONNEL POLICIES MANUAL
INTRODUCTORY STATEMENT**

This manual provides basic information about the Region Five Development Commission's ("R5DC") policies, programs and benefits. Read the manual to learn about your responsibilities as an employee and the programs and benefits. The provisions of this manual apply to all employees of R5DC unless otherwise indicated.

It is the purpose of this manual and the policies contained herein to establish and maintain a consistent system of personnel administration for employees of the R5DC. Furthermore, the adoption of this manual is meant to ensure that employment with the R5DC shall be on the basis of fitness and merit and those employees will benefit from a work environment which will encourage them to render their best services in fulfillment of the provisions and intent of the Regional Development Act of 1969 amended.

The policies, programs and benefits outlined in this manual are effective as of February 2015. This manual replaces and supersedes all previous manuals and does not attempt to cover all areas of policy, programs or benefits. It is designed to acquaint you with R5DC by covering the questions most frequently asked by employees. Please do not hesitate to ask the Executive Director or your supervisor if you have questions about this manual.

The policies, programs and benefits set forth SHOULD NOT be construed as an employment contract. The best interests of R5DC and our employees necessitate that there be flexibility in administration, and R5DC reserves the right to revise, supplement or rescind any policy or provision in the manual it deems appropriate, with sole and absolute discretion.

Your continued employment with R5DC is based on mutual consent and is "AT-WILL". You have the right to end your employment relationship with R5DC at any time. Similarly, the employment of any employee can be terminated in the sole discretion of R5DC at any time. It should also be understood that only the Board of Directors as a whole has the authority to enter into an agreement for employment for any specified period of time or to make any promises or commitments contrary to the terms as stated above.

Suggestions for revisions to any of the policies covered in this manual or suggestions for new policies should be made to Management. Management will work with the Budget and Personnel Committee on drafting the appropriate changes or additions. Management will also review this document on a periodic basis and report to the R5DC on any changes that are made.

Our hope is that your employment with R5DC will be a rewarding and satisfactory experience.

GLOSSARY OF TERMS

Consultant	Person, firm or organization to which R5DC contracts for services. A consultant is not an employee of R5DC.
Domestic Partner	<p>Any person who has a currently registered partnership with a governmental body pursuant to state, local, or other law authorizing such registration. The term domestic partnership will be construed broadly to include same-sex civil unions or other such same-sex unions in which two same-sex individuals are committed to one another to the same extent as married persons are to each other, except for the traditional marital status and solemnities.</p> <p>In the absence of registration with a governmental body, “domestic partner” shall otherwise mean a person who is in a domestic partnership, which consists of two adults who are: (1) are not related by blood closer than permitted under the marriage laws of the state; (2) are not married; (3) are competent to enter into a contract; (4) are jointly responsible to each other for the necessities of life; (5) are committed to one another to the same extent as married persons are to each other, except for the traditional marital status and solemnities; and (6) do not have any other domestic partner(s).</p>
Employment-at-Will	An employment arrangement that grants employers the right to fire employees for any reason, or for no reason at all, and likewise, allows employees to quit their jobs at any time for any reason.
Exempt Employee	Managerial, professional or administrative employees who are exempt from minimum wage and overtime provisions of the Federal Fair Labor Standards Act.
Immediate Family Member	Employee’s spouse, domestic partner, child, stepchild, parent, stepparent, grandparent, sibling, stepsibling, grandchild, aunt, uncle; or parent, stepparent, grandparent, grandchild, aunt or uncle of the employee’s spouse or domestic partner.
Intern	An unpaid temporary position to solely further the education of the individual by gaining practical experience.
Paid Intern	A paid temporary individual who assists R5DC in completing responsibilities in order to gain experience and knowledge.
Non-Exempt Employee	Clerical or technical employees who are subject to the provisions of the Federal Fair Labor Standards Act.
Region Five Development Commission (R5DC)	Local unit of government serving the Five counties of Cass, Crow Wing, Morrison, Todd & Wadena central Minnesota.
Temporary Employee	Any employee whose service is for a specific limited period of time, who is hired for a specific job or reason. Temporary employees accrue no benefits or seniority.
Board of Directors	The Board of Directors of the R5DC consists of seven Commission members appointed at the annual meeting in accordance with R5DC By-Laws.
Employee	A person holding a paid position within the R5DC service, not including interns or contracts for service. ALL COMMISSIONERS are considered employees while doing R5DC business.
Military Leave	The leave of absence granted to employees entering active duty in the armed forces of the United States.
Position Description	Written document that identifies the purpose(s), duties, responsibilities, accountabilities of a job; the knowledge, skills, and abilities necessary to satisfactorily perform the job, and special working conditions, if any.

Claim	Any demand, written or oral, made upon the R5DC to fulfill an obligation arising from law or equity.
Commission	One of the persons serving on the Region Five Development Commission. .
Contract	Any obligation to do something arising from an exchange of promises or consideration between persons, regardless of the particular form in which it is stated.
Employee	Any person appointed or hired, whether full or part time, seasonal, temporary, paid or unpaid, on a fixed or unfixed term, provisional or permanent.
Enrollee	Any program participant in any program operated by the R5DC. Specifically, an "enrollee" shall be a person who expects to receive, or is receiving, some form of assistance from the R5DC.
Family	The spouse, father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister, or a person living in a stable family relationship.
Person	Any individual, corporation, partnership, business entity, association, organization, and may include an R5DC employee.
Public	Information obtainable pursuant to the Freedom of Information Act and R5DC guidelines adopted pursuant thereto.
Employee in Good-Standing	Employee is not on probation in the term of a corrective action plan. Employee has received above average performance reviews and complies with all R5DC personnel policies.

1. GENERAL POLICIES

1.1 LEGAL COMPLIANCE

R5DC complies with all state and federal laws impacting the way we conduct our business. As an employee of the R5DC, you agree to adhere to the R5DC's standard.

1.2 AMENDMENT OF POLICIES

These Personnel Policies shall be reviewed periodically. Amendments and revisions shall be approved by a majority vote of the Commission at any regular meeting.

1.3 SEVERABILITY

If any part of this policy is declared to be unlawful, unenforceable or not in accordance with applicable state or federal law by any legislative, administrative or judicial authority, all other provision of this policy shall remain in full force.

1.4 CODE OF CONDUCT ETHICS POLICY

ALSO SEE APPENDIX #2 BELOW

Employees must avoid conflicts of interest. You have a conflict of interest if you place yourself in a position where your private interests may have an adverse effect on your motivation or the proper performance of your job, or when your action results in direct or indirect detriment to R5DC.

1.5 OUTSIDE EMPLOYMENT

R5DC expects that its employees will devote their full attention and energy to their work at R5DC and that conflict between an employee's official responsibilities and other activities will be avoided. If you elect to engage in employment outside R5DC, it may not conflict or in any way interfere with your job at R5DC. In addition, no outside business can be conducted during paid working time.

R5DC may allow an employee to take a leave of absence without pay or PTO to undertake consulting or other outside work. Such leave will be granted only where the work will not interfere with an employee's duties for R5DC or create a conflict of interest, as determined by the Executive Director.

Exempt employees should obtain prior written approval from the Executive Director before engaging in any other employment. The written approval will be placed in the employee's personnel file and will be removed from the file six months after the outside work is complete. Executive Director may not approve employment where there is a conflict of interest. Executive Director should seek same approval from the Board of Directors.

In determining whether such outside employment or activities for private gain constitute a conflict of interest with R5DC duties or are inconsistent or incompatible with public employment, the following shall be considered.

1. The use for private gain or advantage of R5DC time, facilities, equipment and supplies or the prestige or influence of R5DC employment.
2. Receipt or acceptance by the employee of any money or other consideration from anyone other than R5DC for performance of an act which staff of R5DC would be required or expected to perform in the regular course of R5DC business.

3. The performance of an act in other than his/her capacity as an employee, which act may later be subject directly or indirectly to the control, inspection, review, audit or enforcement by such employee for the department by which he/she is employed.
4. All confidential information performed by employees shall be treated on that basis and shall not be disclosed except for the extent necessary for the protection or interest of R5DC.

All employees are asked to notify their supervisor of any other outside employment they may be involved in. This outside employment will be allowed as long as the employee's supervisor feels the employee is demonstrating satisfactory performance in his or her R5DC job responsibilities. If the supervisor, after consultation with the Executive Director, determines that an employee's outside work interferes with performance or the ability to meet the requirements of R5DC as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with R5DC. The Executive Director, at his/her discretion, will be the final arbiter of whether a conflict of interest exists.

1.6 FIREARMS & WEAPONS

R5DC complies with State law conceal and carry of firearms on R5DC property and locations where official R5DC business takes place.

1.7 TOBACCO USE

Tobacco including e-cigarettes and smokeless tobacco will not be permitted at any time in the R5DC building, parking lot or near the front or back doors of the building.

1.8 MAIL

Employees may not use R5DC's address for receiving personal mail or packages.

1.9 SECURITY

The physical security of R5DC as well as the safety of our employees is important. All R5DC property that can be secured, i.e. equipment, doors, files, vehicles and desks should be when not in use. If you are leaving the office at or after the close of business, employee has the responsibility to ensure that all entrances are locked and secured.

1.10 PERSONAL INFORMATION

Changes in personal information should be reported to the Finance Department as soon as possible. Examples of changes include, but are not limited to, name, address, family or marital status, telephone numbers, insurance beneficiary, new dependents and emergency contacts.

1.11 CONFERENCES AND PROFESSIONAL MEMBERSHIP

All expenditures for memberships, dues and/or conference fees for professional organizations using R5DC funds require initial approval by the Executive Director. All requests for new memberships, dues and/or conference fees for professional organizations should be submitted for approval through the Executive Director using the prior approval form provided at the end of this manual. The memberships, dues and/or conference fees must be directly and substantially related to the mission and function of R5DC. Every effort shall be made to avoid duplications or multiple memberships that do not move forward the

R5DC mission, where feasible.

A current list of all approved memberships and dues for professional organizations will be maintained and reviewed annually. Renewal of memberships and dues on the approved membership list does not require resubmission of a prior approval form or any administrative approval beyond that of the department director on the account being used. SEE APPENDIC C for current membership list.

While R5DC encourages and supports employees' participation in their respective professional organization, to include attendance at local, regional, state, and national conferences of those organizations, financial support is contingent on financial and workload conditions as determined by the Executive Director and appropriate supervisor. Therefore, every effort must be made to determine the total costs, especially for attending a conference or meeting. Reimbursement for attending conferences or meetings will be handled in accordance with applicable Travel and Expense Policies.

1.12 POLITICAL ACTIVITY – Hatch Act

<http://www.oge.gov/Topics/Outside-Employment-and-Activities/Political-Activities/>

Commissioners, officers, agents or employees of R5DC are prohibited from using their authority or official influence, directly or indirectly, to compel an employee:

1. To apply for membership in or become a member of any organization;
2. To pay or promise to pay any assessment, subscription, or contribution; or
3. Take part in any political activity.
4. To vote in any particular way

Violation of the provisions in this section is considered grounds for discipline, up to and including immediate termination. Subject to provisions of the Hatch Act, employees may participate in political activity on their own time. The Hatch Act permits employees to:

- Run for public office in nonpartisan elections;
- Campaign for and hold office in political clubs and organizations;
- Actively campaign for candidates for public office in partisan and nonpartisan elections; or
- Contribute money to political organizations and attend political fundraising functions.

Employees may not:

- Be candidates for public office in a partisan election;
- Use official authority or influence to interfere with or affect the results of an election or nomination; or
- Directly or indirectly coerce contributions from subordinates in support of a political party or candidate.

Subject to the provision of the Hatch Act, and at the discretion of R5DC, an employee may be eligible for a leave of absence, not to exceed one year, to become a candidate for public office.

Also subject to the Hatch Act, an employee may be a candidate for and occupy a city, county, village, township, or school district office without taking a leave of absence if holding the office will not conflict with regular R5DC employment. Certain elected positions hold designated seats on the R5DC Board or full Commission. In no instance shall a R5DC employee hold a position which results in appointment to the R5DC Board or full Commission while the person is employed by R5DC.

Employees must take a leave of absence upon assuming an elected federal or state office. If elected to the state Legislature, the employee must take leave when the Legislature is in session. At the Executive Director's discretion, employees may also have to take leave to

serve in any other elected public position if it conflicts with employment.

Employees who are also elected officials are entitled to time off from work to attend meetings required by their public office. The time off may be with pay, without pay, or made up with other hours, as agreed to by R5DC. When an employee takes time off without pay, the Executive Director and the employee's supervisor will do their best to allow the employee to make up the time.

Employees will be given time off from work to attend:

- Any meeting of the state central committee or executive committee of a major political party if the employee is a member of the committee
- Any convention of major political party delegates, including meetings of official convention committees, if the employee is a delegate or alternate delegate to that convention

Employees must give their supervisor at least 10 days' written notice that they plan to attend such a meeting. The time off may be without pay.

Voting is one of the most important fundamental rights of every citizen. We encourage all employees to vote either prior to or after work if at all possible. However, if an employee is unable to vote prior to or after working hours, if the employee presents their supervisor with written notice they need time off of work to vote, the employee will be granted paid time off from work to vote in state, national, or congressional elections. This time off must be on the morning of Election Day and must only be for a reasonable amount of time necessary for the voting process by the employee.

SEE APPENDIX #5 – HATCH ACT

1.13 FIDELITY BONDS

R5DC files and assumes costs for performance of fidelity bonds for R5DC employees and officers in the manner and amounts approved by the State Auditor's Office.

1.14 HARASSMENT PREVENTION POLICY

R5DC expects that employees will treat one another with courtesy and respect. In addition, R5DC recognizes that harassment in the work place, because of an individual's race, color, creed, religion, national origin, sex, marital status, familial status, disability, status with regard to public assistance, sexual orientation, and age is prohibited by the Minnesota Human Rights Act and Title VII of the Civil Rights Act.

It is the policy of R5DC to maintain a work environment free of any form of harassment as defined by local, state and federal laws. R5DC will not tolerate any employee of R5DC who engages in the following:

1. Harassment on the basis of race, color, creed, religion, national origin, sex, marital status, familial status, disability, status with regard to public assistance, sexual orientation, age or other class protected under state, federal or local laws.
2. Permitting employees under his/her supervision to engage in such harassment.
3. Retaliating or permitting retaliation against an employee who reports such harassment.

Any employee found to be in violation of this policy shall be subject to disciplinary action up to and including termination of employment. This policy also applies to all business travel and work related social functions.

Sexual Harassment

Sexual harassment occurs whenever unwelcome conduct on the basis of gender exists. Unwelcome conduct occurs when the recipient did not initiate it and regards it as

offensive. The Equal Employment Opportunity Commission defines sexual harassment 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 a factor in any employment decision affecting an 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 can be *physical, verbal, visual, or written*.

There are two types of sexual harassment: those involving tangible employment actions and those relating to a hostile work environment. Tangible employment action involves some type of significant changes in workload or work assignment or monetary loss for the employee. This type of harassment requires that the threat of job detriment or promise of job benefit actually results in some sort of employment related action such as termination, promotion, demotion, or reassignment to a considerable different job or duties. A hostile work environment occurs when actions of another person create an adverse or hostile working condition for an employee, or interferes with the employee's work performance through severe or pervasive words or deeds because of the employee's gender.

Sexual harassment can occur in a variety of circumstances, including but not limited to the following:

- The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.
- The harasser can be the victim's supervisor, a supervisor in another area, a co-worker, or a non-employee.
- The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.
- The harasser's conduct must be unwelcome; therefore it is helpful for the victim to inform the harasser directly that the conduct is unwelcome and must stop.

Below are examples of behavior contributing to sexual harassment. This is not an exclusive list.

- Discussing or pressuring for sexual activities.
- Verbal remarks, jokes, or innuendoes of a sexual nature or based upon gender. Any sexually-motivated or unnecessary touching.
- Commenting on physical attributes
- Distribution or display of written materials, pictures, or other graphics of a sexual or gender-biased nature.
- Using demeaning or inappropriate terms, such as "babe."
- Using indecent gestures.
- Sabotaging the victim's work.
- Engaging in hostile physical conduct.
- Granting job favors to those who participate in consensual sexual activity.
- Using profane and offensive language.
- Other behavior or words directed at an individual because of gender.

Other Forms of Harassment

Other forms of harassment can be, but are not limited to, those behaviors listed above, but when they are based upon the following: race, color, creed, religion, national origin, marital status, disability, status with regard to public assistance, sexual orientation, veteran status, age.

Retaliation

Retaliation is also prohibited. Retaliation occurs if adverse action is taken against an employee who complains about harassing behavior as defined in this policy or an employee who participated in an investigation regarding alleged harassment.

Addressing Harassment

Whenever possible, an employee feeling subject to harassing behavior should communicate about the situation with the individual engaged in the perceived harassing behavior. The perceived harasser should be notified the conduct is unwelcome and must stop. If the situation is not resolved, or if the employee feeling subject to harassing behavior is unwilling or unable to communicate about the situation with the person engaged in the perceived harassing behavior, then a complaint can be initiated by using the reporting procedures. The person feeling subject to harassing behavior is also encouraged to document that the harassing party was told the conduct is unwelcome and to document the occurrence(s) of harassment.

Reporting a Complaint

To maintain a harassment free work environment, it is essential that all instances of protected class harassment be reported. Any person who believes they have been the victim of protected class harassment in the workplace or any person with knowledge or belief of conduct which may constitute such harassment toward an employee must report the alleged conduct immediately. Harassment should be reported immediately to the Executive Director. If the Executive Director is the subject of the complaint or you do not feel comfortable reporting the issue to the Executive Director, your report should be directed to the Chairperson of the Budget and Personnel Committee of R5DC.

The reporting party or complainant shall clearly describe the conduct when making a report or complaint and identify the complaint as one of harassment under this policy. Employees making a report should document behavior they have witnessed. Documentation should include specifics about the behavior, direct quotes, if possible, patterns of abuse, names of witnesses, and time and place of incidents. R5DC encourages the reporting party or complainant to submit a written report, but verbal reports will also be considered complaints.

Nothing herein shall be construed as limiting in any way an employee's right to file a charge of harassment of any form with the Minnesota Department of Human Rights, the Federal Equal Employment Opportunity Commission, or an appropriate court.

Investigating a Complaint

Complaints of protected class harassment will be promptly and thoroughly investigated by R5DC or by a third party designated by R5DC. The investigation may consist of personal interviews and any other method deemed pertinent by the investigator. To assist in the investigation, the alleged victim is urged to provide a written complaint indicating the harassing behavior. The written complaint should also include details such as where and when the harassment occurred. Pertinent witnesses to the harassment (if any) should also be noted.

R5DC may take immediate steps, at its discretion, to protect the complainant and other employees pending completion of the investigation.

Confidentiality

Special privacy safeguards will be applied to the extent practical in handling protected class harassment complaints. In addition, the privacy of the alleged victim and perpetrator will be maintained where possible. R5DC will retain confidential documentation of all allegations and investigations pursuant to applicable law.

Action

R5DC will take such action as it deems appropriate based on the results of the investigation. Retaliation against any employee for filing a complaint or participating in an investigation is prohibited.

Duty to Report

Any employee with knowledge of a violation or potential violation of this policy has the affirmative duty to notify the Executive Director of such protected class harassment.

1.15 OWNERSHIP OF INTELLECTUAL PROPERTY & COPYRIGHT

Employees retain ownership of all intellectual property for any materials created while working on personal time. All materials created by employee while “on the clock” is owned by R5DC.

1.16 ACCIDENT INJURY REPORTING

It is the responsibility of each employee to report any accident and injury occurrences to the Executive or Department Directors immediately. The DLI and MCIT must be notified within 48 hours of the occurrence. A First Report of Injury (FROI) form must be completed and submitted.

1.17 ALCOHOL AND DRUG POLICY

R5DC recognizes that alcoholism and other drug dependencies are a significant social problem with a potential for causing severe effects to the R5DC workforce. R5DC recognizes that it has a responsibility to maintain a drug-free workplace. R5DC also recognizes that drug dependency may be an illness. Consistent with this understanding, however, R5DC has an obligation to ensure that its employees perform their jobs efficiently, safely and in a professional, businesslike manner.

This policy is applicable to all employees and interns of R5DC. Questions regarding this policy should be addressed to the Executive Director. R5DC is committed to providing its employees with safe working conditions and promoting programs which encourage high standards of employee health. All employees are expected to be in suitable mental and physical condition while working and perform their jobs in satisfactory fashion. In instances in which the use of mood altering chemicals (alcohol or other drugs) interferes with these goals, appropriate action will be taken, up to and including termination.

It is recognized that off-the-job, as well as on-the-job, involvement with alcohol, drugs and/or mood altering chemicals can have an impact 1) in the workplace, 2) on the safety of others whether in the workplace, or the streets and highways, 3) on other human beings and 4) in our ability to achieve our goal of maintaining a drug-free work environment.

The use, possession, transportation or sale of illegal drugs (including controlled substances without a proper prescription) or the presence of any such substance in or on

an employee's body while on any R5DC property, during the employee's working hours or while on R5DC business is prohibited. An employee convicted of any criminal drug statute must notify R5DC no later than five days after such conviction.

Employees are expected to work with no alcohol or other drugs (as described in this policy) in their bodies. This requirement is based on the fact that such substances can place individuals under the influence of the drug to some degree, even if the impairment is not readily apparent. R5DC will not accept the risks or performance problems which substance abuse can create.

The Executive Director should be notified, prior to an employee beginning their workday, of the employee's use of any legal drug which may affect the employee's ability to safely and efficiently perform the employee's job. This includes, but is not limited to, prescription and nonprescription medications which contain warnings regarding a user's ability to operate automobiles or machinery. If the use of medication impairs an employee's ability to safely and efficiently perform their job, R5DC may require the employee to use PTO or take an unpaid leave.

As a condition of employment, each employee must abide by this drug-free policy. An employee's failure to properly notify the Executive Director or any employee violating this policy is subject to immediate termination.

Federal Grant and Contract Employees

Each employee engaged in the performance of work on federal grants or contracts is required to notify their agency of any criminal drug statute conviction for a violation occurring in the work place no later than (5) five days after such conviction.

Congress has enacted the Drug Free Workplace Act of 1988 (PUB. L. 100-690, Title V, Sub. D) Requiring contractors and grantees of federal agencies to certify that they will provide drug free workplaces. The Drug Free Workplace Act requires employers covered by the law to publish a statement notifying employees that **the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and, further, specifying that it is a term and condition of employment that employees who are involved in the performance of any federal contract or grant may be disciplined and/or discharged for violating** the prohibitions. Additionally, employees must notify their employer of any criminal drug statute conviction for a violation occurring in the workplace within five days of the conviction or face discipline or discharge. **This policy is considered by R5DC to be said published statement.**

Drug/Alcohol Testing

Any alcohol and/or other drug testing undertaken by the R5DC shall be in accordance with Minnesota Statutes §181.950-957, the Minnesota Drug and Alcohol Testing in the Workplace Act.

SEE APPENDIX #8 – DRUG & ALCOHOL TESTING

2. RECRUITMENT AND HIRING

2.1 RECRUITMENT AND SELECTION

In recruitment and selection of R5DC staff members, all equal employment opportunity policies will be followed.

The procedure for recruitment is listed below.

1. Executive Director will determine the need for a new employee to fill either a vacated position or a new position.
2. The Executive Director may transfer employees from one program to another, or transfer work between or within programs of R5DC, or to independent contractors in the interest of economy, efficiency, operation or for any other reason R5DC deems necessary. Also, the Executive Director may reinstate a former employee to a position in his/her former class within two years of resignation, retirement or expiration of leave of absence.
3. If the position to be filled is an existing position the Executive Director will review the position description to ensure it is up to date and accurate. A complete and accurate Position description is required prior to the selection of a candidate for any open position. The Executive Director is responsible for the approval of the wording for and advertisements that will be used in the recruiting process for the position. The Executive Director must approve ads for all positions to ensure EEO/AA items are incorporated into the ad.
4. Vacancies will also be posted on the R5DC website, which can be accessed at: <http://www.regionfive.org>.
5. It is the belief of R5DC that promoting employees from within benefits both R5DC and its employees. Therefore:
 - a. The Program Director will post the position opening on the employee bulletin board the same day as the first advertisement for the position is published and circulated.
 - b. Job postings will include the job title, department, minimum eligibility requirements, essential job functions, and the closing date for applications.
 - c. Current employees wishing to apply for the position must secure, complete, and return the application prior to the deadline.
 - d. In order for a current employee to be considered for a posted position, they must:
 - Be an employee of R5DC in “good standing”. (see definitions)
 - Have at least six months experience in their current position with satisfactory evaluations.
 - Meet the minimum eligibility requirements for the posted job.
 - Be able to perform the essential functions of the posted job with or without reasonable accommodation.
 - e. It is the employee’s responsibility to periodically check the job posting board and to fully complete and timely return an application for any job they want to be considered for. Neither R5DC nor any of its supervisors have any obligation to notify employees when jobs for which they might qualify are posted on the board.
 - f. After an employee has turned in their application, they will be kept advised regarding the status of their application. In the event of an internal hire for a posted position, the Executive Director will work with them and the current and prospective Program Directors to ensure a smooth transition.
 - g. Although it is the hope of R5DC that all employees will have opportunities to advance and grow within R5DC, R5DC will not extend any preference to

employee applicants on the basis of their status as current employees of the company. When a position has been both internally posted and externally advertised, R5DC will review the credentials of all qualified applicants and choose the most qualified applicant, without regard to that person's status as an employee or outside applicant. This policy does not create an obligation on the part of R5DC to fill any posted position with a current employee unless the current employee is the best-qualified applicant for the job.

6. While relatives of current employees will be considered for each position they apply for, they may not be employed in, promoted to, or engaged to perform services where their relative will or may exercise or directly influence the recruitment, day-to-day work activities, salary or performance evaluation of the relative. For the purposes of this section, relatives shall be defined as persons related by blood or marriage to include: spouse, parent, child, sibling, grandparent, grandchild, uncle, aunt, niece, or nephew.
7. Employment applications will be screened based on experience, education, and character as indicated in the position description. All applicants who meet the minimum screening requirements for the open position will be asked to come in for an interview.
8. Reference checks will be made as required after the interviews. The applicant who is chosen will be contacted by phone. After this interview, if an agreement of terms is reached the Executive Director will cause an employment offer letter to be written and sent to the candidate for their signature and return. At a minimum the offer letter will include position title, salary information, anticipated start date, an at-will employment statement and any other forms that may need to be sent.
9. All other applicants will be notified by letter or phone or email.
10. Conditional offering will be made to all new R5DC hires, pending a criminal background check.

Appointment Prior to Final Approval

With the approval of the Board of Directors, the Executive Director may appoint the selected candidate to a position subject to final approval by the R5DC.

Temporary, Full or Part Time Personnel

The Executive Director shall have the discretion to employ temporary full or part time personnel in an emergency situation such as unexpected leave of absence of an employee or exceptional work load for a maximum of 30 days, prior to the approval of the R5DC.

2.2 EXECUTIVE DIRECTOR

R5DC is responsible for setting standards and procedures used in recruiting the Executive Director. Such procedures will conform to the Equal Opportunity Employment policies of R5DC and the federal laws pertaining to them.

R5DC is also responsible for appointing an Executive Director to serve as Chief Administrative Officer. The Director may be chosen from among the citizens of the nation at large.

2.3 COMMISSION

Process is managed per by-laws.

3. GENERAL EMPLOYMENT POLICIES

3.1 POSITION DESCRIPTIONS AND COMPENSATION

The Position Descriptions and Compensation Schedule (pay scale) are established and maintained so that:

1. All positions similar in kind, difficulty and responsibility of work are included in the same class;
 2. The same means of recruitment may be used for filling all positions within a class; and
 3. The same schedule of pay **may** be applied equitably to all positions within a class.
- All position descriptions are on file with the Administrative Department. Classes shall be defined by Fair Labor Standard Act employment law principles and the Board of Directors. The R5DC can evaluate the performance of an employee at any time.

Pending the recommendation of the Executive Director, the Budget and Personnel Committee may recommend merit increases for exceptional performances to the R5DC for consideration. The Budget and Personnel Committee may recommend and R5DC may approve cost-of-living increase at the time of evaluations. Cost-of-living increases are granted without regard to merit and are not guaranteed.

For the purposes of payroll, an employee's hourly rate of pay equals the annual salary divided by annual hours worked approved by the R5DC. R5DC pays its employees twice monthly. An average year contains 52 full weeks, or 26 twice monthly pay periods.

3.2 OFFICE HOURS AND BREAKS

For pay purposes the work week will start on Saturday at 12:00:01 AM and end on Friday at midnight. An employee's supervisor, in consultation with the Executive Director, prescribes the actual work hours of employment for all employees. Modifications to an employee's schedule must be approved by their supervisor and the Executive Director.

Any approved modifications must be in writing and filed in the employee's personnel file. All employees may be required to work other than a normal work day or week.

Employees working 8 hours or more a day are offered a 30 minute duty free lunch break. All lunch breaks will be coordinated with the employee's supervisor to ensure office coverage as necessary. If the employee is not completely relieved of his or her duties during their lunch time, that time will be compensated. Thus, for example, if an employee is required by R5DC or elects to work, during lunch, the employee is considered to be on the clock and the time will be counted towards hours worked.

See Travel and Expense section for event and travel time worked.

3.3 PUNCTUALITY AND ATTENDANCE

To maintain a productive work force, R5DC expects employees to be reliable and punctual in reporting to work and to meetings. When you cannot avoid being late to meetings, must be away from work for part of the day, or are unable to work as scheduled due to unexpected illnesses or other unavoidable reasons, you must notify your supervisor or designee prior to your scheduled meeting time. Contacting a supervisor or leaving an e-mail with a returned response is sufficient, however notification must be recipitated with a return response by the supervisor.

Consistently being late for work or for scheduled meetings constitutes neglect of duties and may subject you to discipline.

Employees should keep their calendars up to date and shared with all co-workers to reflect their schedules and meeting locations. Failure to call in or report to work for three consecutive days will be considered a voluntary resignation. Absences will be monitored by the supervisor. R5DC may require you to bring a certificate from your physician before you return to work.

Poor attendance and excessive tardiness are disruptive. Continual or excessive absences or tardiness may subject you to disciplinary action, including termination.

3.4 OVERTIME

Work performed in excess of forty (40) hour week (hours actually worked) will be considered overtime for under the following conditions:

Non-exempt employees:

1. All overtime, to be compensable, must be given prior approval by the supervisor.
2. Work beyond forty (40) hours in any given work week will be done only with the prior written consent of the employee's immediate supervisor. Non-exempt employees will receive pay, or compensatory time off, at the rate of one and one-half times the regular rate for hours worked over forty (40) per week. For purposes of overtime calculations, the work week will start on Saturday at 12:00:01 AM and end on Friday at midnight. The employee shall make the election on timesheets to indicate compensatory time off or cash payment for overtime hours.
3. Non-exempt employees may not accrue in excess of 40 hours of earned compensatory time off. If the time is taken in pay, it will be paid at one and one-half times the rate the employee was earning at the time the overtime was earned.
4. Overtime is Paid twice monthly at regular scheduled pay periods.
5. Non-Exempt employees may not work more than hours designated by Board &/or Executive Director in writing.

Exempt employees:

1. Exempt employees will be eligible for compensatory time for hours worked in addition to hours in the twice monthly pay periods, but are not eligible for monetary compensation for hours worked over the typical pay period hours at an hour-to-hour basis per week upon separation of employment. Compensatory time is paid out at regular twice monthly pay periods.

All employees:

1. All compensatory time off should be liquidated as soon as possible without interfering with the operation of R5DC.
2. Accumulation of more than 40 hours of compensatory time earned is prohibited without approval of the Executive Director. If, at the end of a pay period an employee has accrued more than 40 hours compensatory time off, the employee shall take off the excess hours during the next pay period. If the employee, for good reason, cannot take off the excess hours, the 40 hour accrual policy may be waived upon approval of the Executive Director. Special contingencies shall be handled at the discretion of the Executive Director.
3. Ordinary travel from home to work or vice versa may not be counted as hours worked.

3.5 PAY DEDUCTIONS

There are two types of pay deductions: deductions required by law and deductions that you have authorized. The law requires that regular amounts be deducted from your pay and applied toward payment of your federal and state income taxes and Social Security. R5DC offers programs and benefits beyond those required by law. You must authorize deductions from your paychecks for the cost of these plans which are sponsored by R5DC. The plans include, but are not limited to: Health Insurance Plan and/or HSA's and/or supplemental employee selected plans.

3.6 DRESS CODE

Proper dress and good grooming contributes to the morale of all employees and affects the business image presented to clients and the communities we serve. Employees are expected to maintain high standards of grooming and to present a professional, businesslike appearance consistent with the duties and responsibilities of R5DC positions. Employees are expected to use good judgment in these matters.

Clothing must be professional and not excessively short, tight or revealing. The following are not permitted: outfits revealing midriffs, halters, or low necklines. Know your audience and dress accordingly. If an employee does not adhere to the dress code, their supervisor or Executive Director will coach the individual. Employees, who are not dressed appropriately may be asked to make necessary changes in their attire or will be considered not ready for the workday.

3.7 REASONABLE ACCOMMODATION

R5DC will provide reasonable accommodations to known physical and mental limitations of an otherwise qualified disabled employee or applicant.

3.8 TELECOMMUTING POLICY

Remote Workplace, and Adjusted or Extended Work Hours Policy

The Remote Workplace, and Adjusted or Extended Work Hours Policy covers employees working outside of the R5DC office during office hours; working adjusted hours and extended hours.

The R5DC is committed to a work and life balance and as far as possible operates flexible working practices so that staff can accommodate the needs and requirements of their working life with their personal life. Remote workplace and extended work hours is part of that flexible working arrangement. To work effectively any such arrangement has to meet the needs of the R5DC while ensuring that the needs of the clients will not suffer, and neither will those of the staff.

The benefits to the R5DC and staff include the following:

- 1) Opportunity to provide employee soft dollar benefits in difficult economic times
- 2) Enhanced recruitment incentives
- 3) Retention of trained employees
- 4) Greater freedom to manage workloads and meeting deadlines
- 5) Minimize fuel and drive time costs for employees
- 6) Decreased absenteeism due to weather

Eligibility

Differing telecommuting options may be offered to employees with the same or similar job titles.

To assess whether telecommuting would fit the job, the following issues should be addressed:

- The work undertaken can be completed remotely and with limited supervision.
- The work to be undertaken is clearly defined by the employee.

- No additional costs shall be incurred by the R5DC as a consequence of the arrangements.
- Working remotely shall not increase or disrupt the workload of other employees.

The decision to allow telecommuting will be made by the Executive Director. The Executive Director shall take into account the employee's current areas of responsibility, need for and nature of interaction with other employees and external clients, and appropriate measures of performance. The Executive Director may require persons who are telecommuting to return to in-office status without cause or advance notice. Telecommuting should be viewed as a privilege not a right.

Approval Process

Telecommuting and remote working is a common in the R5DC & NCEDA culture. All employees including temporary, Fellows or Interns are offered this same job place benefit. The Executive Director retains the right to require a telecommuting employee to return to R5DC office on a regular scheduled telecommuting day. If an employee is frequently require to return to R5DC offices during regularly scheduled telecommuting days the Executive Director may re- evaluate the compatibility of the employee's position and job responsibilities with telecommuting.

Employee Responsibilities & Conditions:

- A. A telecommuting arrangement does not change the basic terms and conditions of employment. The employee's salary, benefits, work status and responsibilities will not change as a result of working at home.
- B. In the event that the employee does not have enough work for an eight hour day they must adjust their timesheet accordingly.
- C. If the telecommuting employee is sick while working off-site, the employee will report hours worked as PTO and not as worked hours.
- D. Employees must be able to work outside the office with minimal interruptions from family and friends. Dependents in need of childcare will not be cared for by the telecommuter during work hours.
- E. Office supplies required for job function will be provided and will be obtained during the employee's in-office work hours.
- F. The telecommuter will not undertake other employment during working hours.
- G. Telecommuting may not be used if it would result in the employee missing previously scheduled meetings, including regularly scheduled internal meetings and employees meetings.
- H. During pre-established work hours the employee will be available by phone and/or email.
- I. Employees may not conduct meetings in their home – with clients or other employees.
- J. Employees who work outside the office have the same duties to keep the same health and safety conditions as those working at the office. Any accidents that involve injury must be reported immediately, as though they happened at the employer's work site. OSHA requires safe workplaces at telecommuting locations. The R5DC's liability is limited to injuries resulting directly from the approved work.
- K. Homeowner's insurance and any changes in rates or coverage are the responsibility of the employee and not the R5DC.
- L. The legal status of all data used by the employee remains unchanged by the employee's work location. Employees will take all necessary precautions to secure and prevent unauthorized access to all data used in the performance of their work responsibilities and agree to follow all pertinent policies, laws, and rules regarding data privacy.
- M. Documents, reports, data and software products created as a result of work-related activities are the property of the R5DC and are subject to R5DC policies and state law.

- N. The R5DC is not responsible for any liability resulting from travel to and from the R5DC and the employees telecommuting site.
- O. Mileage reimbursement policy applies to telecommuting.
- P. Office equipment needed to participate in telecommuting may vary by employee and task. R5DC may purchase or reimburse a telecommuting employee for equipment necessary to function in a telecommuting work environment. Employees may use their own equipment (e.g. personal computer, modem, photocopier etc.) provided no cost is incurred by R5DC. Repair and maintenance of employee-owned equipment is the responsibility of the employee.

NO original documents are allowed to leave the R5DC office, unless specifically authorized by supervisor. Employees participating in the telecommuting program may wish to consult their attorney, tax advisor or accounting regarding any legal or tax implications to working at their home or alternative site.

3.9 ACCESS TO PERSONNEL RECORDS

R5DC recognizes that all government data that is created, collected, received, maintained, disseminated or stored by a state agency, political subdivision or statewide system, regardless of the data's physical form, storage media or condition of use is regulated by the Minnesota Government Data Practices Act.

Notice of Employee Rights with Regard to Personnel Record

Current employees will be allowed access to their personnel records once every six months upon the employee's written request. Upon receipt of a written request to review a personnel record, R5DC will make the record available to the employee within 7 working days of receipt of the written request. For current employees, the personnel record or an accurate copy will be made available at R5DC between 8:00

a.m. and 4:30 p.m. R5DC may require that you review the personnel record in the presence and under the supervision of the Executive Director or appropriate Program Director. After review of the personnel record, if you wish to receive a copy, you must submit a written request and a copy will be provided at no cost to you.

Any former employee of R5DC has the right to review a copy of his or her personnel record once per year for so long as the personnel record is maintained by R5DC. Requests for a copy of a former employee's personnel record must be made by the former employee, in writing. Upon receipt of a written request for a copy of a personnel record by a former employee, R5DC will provide the former employee with a copy of his or her personnel record within seven working days of receipt of the written request at no cost to the former employee. R5DC reserves the right to deny any current or former employee's request to review or copy their personnel record if R5DC determines that the request is not made in good faith.

If an employee disputes specific information contained in the employee's personnel record, R5DC and the employee may agree to remove or revise the disputed information; and if an agreement is not reached, the employee may submit a written statement specifically identifying the disputed information and explaining the employee's position. The employee's position statement may not exceed five written pages. The position statement will be included along with the disputed information for as long as that information is maintained in the employee's personnel record. A copy of the position statement will also be provided to any other person who receives a copy of the disputed information from R5DC after the position statement is submitted.

3.10 MEDICAL EVALUATIONS

R5DC wishes to maintain a safe and healthy working environment for the benefit of all employees. Following an offer of employment and as a continuing condition of employment, R5DC reserves the right to require applicants and employees to submit to medical evaluations.

You may be required to have other medical evaluations during your employment if R5DC has concerns about your physical or mental ability to perform your job effectively. Medical evaluations will be for job-related purposes based on business necessity and will be performed by a physician or medical advisor selected and paid for by R5DC.

Medical information is confidential and such confidentiality will be maintained in accordance with applicable legal requirements. The Executive Director must receive a workability report from the physician prior to returning to work.

3.11 PERFORMANCE EVALUATIONS

R5DC can evaluate the standards of an employee at any time. Performance evaluations are conducted to provide both R5DC and employees the opportunity to discuss job duties, identify and correct weaknesses, encourage and recognize strengths, and discuss positive purposeful approaches for meeting goals.

3.12 DISCIPLINE POLICY

R5DC may move forward with disciplining employees when appropriate. Generally, discipline will start at low level and become progressively more severe. R5DC reserves the right to assign discipline levels in relation to the behavior at issue.

3.13 VETERAN'S PREFERENCE

Honorably discharged veterans may not be dismissed except for incompetence and/or misconduct. R5DC will submit a notice of "intent to discharge" to the employee before actually discharging the employee.

3.14 SEPARATION IN GOOD STANDING

A separation-in good standing may occur either voluntarily or involuntarily. Employees separating-in good standing are reimbursed for accrued PTO as outlined in section 4.2 PTO.

Voluntary Separation In Good Standing:

An employee may opt to sever the employment relationship by submitting a resignation, in writing, to the Executive Director's office at least (10) working days prior to the effective date of resignation.

Involuntary Separation In Good Standing:

An action taken by the employer to sever the employment relationship but which results in the employee being terminated in good standing, rather than being dismissed. Involuntary separation-in good standing is usually attributed to the loss of program funding or other discontinuance of service.

Termination of an employee as set forth in policy 3.15 is not considered separation in good standing.

3.15 TERMINATION OF EMPLOYMENT – DISMISSAL

As an at-will employee, you can be terminated at any time. If you are terminated, you will not be reimbursed for accrued PTO hours.

3.16 REFERENCES

All requests for references should be directed to the Executive Director. The Executive Director, or appropriate Program Director in conjunction with the Executive Director, is authorized to provide such information. Unless you provide a release, the only reference information that will be given are your dates of employment, salary and job title.

3.17 RETURN OF PROPERTY

You are responsible for all R5DC property and materials, including keys, manuals, or other written information issued to you or that is in your possession or control. You must immediately return all of R5DC's property in your possession or control at separation of your employment, whether as a **result** of a separation – in good standing or as the result of a termination, or at the request of the R5DC at any time. "Property" includes but is not limited to all keys, manuals, client information and any other information in print or on magnetic or electronic media.

4. LEAVE POLICIES

R5DC has holiday and PTO leave to provide opportunities for employees to take a break from the work routine; to handle items of personal business; to observe specially designated days commemorating national or regional events, religious holidays and to recover from an illness or injury. Abuse of attendance or leave policies will result in disciplinary action up to and including termination of employment.

4.1 HOLIDAYS

Regular Exempt employees are compensated for (8) hours of leave with pay per holiday. Regular part-time employees who work a minimum of twenty (20) hours per week, but less than forty (40) hours per week receive prorated compensation based on set hours worked. Temporary employees are not compensated for holidays.

Employees who find it necessary to work part or all of a designated holiday for extenuating circumstances may arrange with the supervisor to substitute a regular work day for the holiday worked.

The following holidays will be observed:

1. New Year's Day
2. Memorial Day
3. Juneteenth
4. Independence Day
5. Labor Day
6. Veteran's Day
7. Thanksgiving Day
8. Friday after Thanksgiving
9. If Christmas Eve falls on a weekday, offices will officially close at noon.
10. December 25th

If a holiday falls on a Saturday, the day before the holiday (Friday) will be observed. If a holiday falls on a Sunday, the day after the holiday (Monday) will be observed.

4.2 PERSONAL TIME OFF (PTO)

Paid time off is earned and credited at the end of each pay period. Paid time off may be **accumulated in an amount not to exceed 100 hours** unless otherwise indicated through agreements authorized by the Board.

All paid time off must be approved by the Executive Director in advance. Executive Director may require employees to take PTO time and can insist that no R5DC business be performed during PTO.

Regular Exempt employees earn PTO with pay according to the following schedule:

<u>Service Requirement</u>	<u>Annual Accumulation Rate</u>
– through years of continuous employment	
Year 1 & 2	6 hrs per pay period, 18 days (144 hours – 3.6 wks)
Year 3-5	7 hrs per pay period, 21 days (168 hours – 4.2 wks)
Year 6-7	8 hrs per pay period, 24 days (192 hours – 4.8 wks)
Year 8-10 and thereafter	9 hrs per pay period, 27 days (216 hours – 5.4 wks)

Temporary and part-time employees do not earn PTO. Changes in the rate of accumulation for eligible employees are made effective at the beginning of the payroll period following completion of the specified length of employment. PTO is accrued by pay period. All requests for utilization of leave must be approved by the employee's supervisor. PTO may be donated to the emergency leave bank as outlined in section 4.7 EMERGENCY LEAVE.

Use of PTO

For newly hired employees, while PTO will accrue from the first date of employment, no employee will be allowed to use accrued PTO benefits until after they have been employed six consecutive months. In extraordinary cases, the Executive Director may approve use of PTO by employees during this period, at his/her sole discretion. The Budget and Personnel Committee may approve use of PTO by the Executive Director during this period, at its sole discretion.

To minimize disruption of the organization business, employees may not use more than 10 consecutive working days of PTO &/or unpaid time off without authorization of the Executive Director. Employee taking 10 consecutive working days must return back to work for a period of at least 10 consecutive working days prior to taking additional PTO. This alleviates the issue of employees being gone more than two weeks at a time.

Accrual and Payout of PTO

If an employee (other than the Executive Director) resigns or is terminated in the first six months of employment, that employee shall forfeit any and all accrued but unused PTO. If the Executive Director resigns or is terminated in the first twelve months of employment, the Executive Director shall forfeit any and all accrued but unused PTO.

After an employee has been employed by R5DC for six consecutive months, or twelve months in the case of the Executive Director, an employee (or his/her survivor) who is separated from R5DC employment in good standing, as defined herein, or by death is paid for accrued unused PTO **up to (not to exceed) 40 hours** unless indicated through agreements authorized by the Board, at their current rate of pay.

4.3 PARENTING LEAVE

Any part-time or Exempt employee who has worked for R5DC, continuously for at least twelve months prior to the requested leave, is eligible for up to TWELVE (12) weeks unpaid parenting leave for the birth or adoption of that employee's child. Leave must begin within six MONTHS after the birth or adoption of the child, or the date when the child is released from the hospital, whichever is later. Employees must give notice as soon as they are aware of the need for the leave. Unusual circumstances necessitating a longer period of leave will be considered on an individual basis. If an employee has accrued but unused PTO, the employee must use their PTO, during parenting leave, prior to taking unpaid leave. R5DC will provide group health insurance under the same financial arrangements as then exists with other employees, provided that the employee returns to employment with R5DC at the end of the leave. If the employee does not return to work at R5DC at the end of the leave, the employee must reimburse R5DC for all cost and expense incurred by R5DC regarding insurance coverage provided to the employee during the leave. Benefits for PTO do not accrue during any unpaid portion of parenting leave and holidays are not paid to employees on unpaid leave.

4.4 JURY DUTY

R5DC encourages its employees to serve on jury duty when requested. R5DC will pay the employee while serving as a juror and any compensation paid to the juror by the courts will be refunded to R5DC. Hourly (non-exempt) employees shall be paid the difference between any jury duty compensation they receive and their regular wage for each day of jury service, not to exceed fifteen (15) working days per calendar year. Exempt employees will receive a full week's pay minus jury duty compensation, for any work week in which they do any work. You must notify your supervisor as soon as possible regarding when you were notified of jury duty and when you must report. You are expected to return to your position if you are excused from court during any part of the work day. If your jury duty exceeds fifteen (15) working days, compensatory time may be used if approved by your supervisor and Executive Director.

Any absence, whether voluntary or in response to a legal order to appear and testify in private litigation to which the employee is a party, not as an employee of R5DC, but as an individual, shall be taken without pay. Employees may choose to use PTO or compensatory time and may keep any per diem payment.

If an employee granted jury duty or witness duty is dismissed or released before 12 noon by the court, the employee is to report back to work for the remainder of the work day if they are within their 15 days of pay or an exempt employee.

4.5 MILITARY LEAVE

R5DC encourages its employees to serve in the military. R5DC will pay the employee while serving in the military. If you require time off from work to fulfill military duties, you will be treated in accordance with applicable requirements of state and federal laws.

4.6 BENEFITS DURING LEAVE

During any unpaid leave, PTO is not earned and health/life insurance premiums that would ordinarily be paid by R5DC must be paid by the employee during the period of unpaid leave.

4.7 VOLUNTEER TIME

R5DC encourages their employees to find a cause meaningful to them and will pay the

employee to volunteer for that cause. Employees will receive four (4) hours per pay period for a total of eight (8) hours per month. Employees will denote proper code on timesheet. The time volunteered will not be counted towards overtime.

4.8 Employee Non Profit Match Program

Region Five Development Commission (R5DC) recognizes the importance of charitable nonprofit organizations. To support the work of these organizations, R5DC matches employees' contributions to qualified organizations. To be qualified for a matching employer contribution, the organization must be a social service, charitable or environmental organization that is not-for-profit. Examples are the American Red Cross, the American Cancer Society, the Nature Conservancy and the United Way.

R5DC will match employee contributions of on a dollar-for-dollar basis not to exceed a maximum of \$250.00 per employee per fiscal year. To generate the employer match, the employee needs to submit the matching gift form, available from Human Resources, with documentation of the contribution. R5DC finance department with holds the employee contribution from payroll per the schedule set forth in the matching gift form.

Human Resources may also request the employee to provide additional information on any organization which is not easily identifiable as a qualified organization for the employer match. Religious or Political organizations do not qualify for the R5DC Employee Non-Profit Partner Match Program.

Partner Match Guidelines

Employee may request up to \$250.00 available match donation for any qualified organization per fiscal year upon program annual approval of R5DC Board of Directors.

Who can participate?

All active full-time R5DC employees are eligible. Annual employee and employer approved contributions are honored via last payroll disbursement, should employment be severed for any reason.

Which organizations qualify to receive matching funds?

Contributions can be made only to 501(c)(3) public charities in the United States. Religious or political non-profits do not qualify to receive donations. If you have questions about whether an organization qualifies, please contact Human Resources department for guidance.

What is not eligible for matching?

- Gifts made in lieu of tuition payment for services
- Fees for service or tuition payments
- Membership fees for which benefits are received
- Dues to alumni(ae) or similar groups
- Gifts or payments for primarily political purposes
- Subscription fees for publications
- Insurance premiums
- Bequests or life income trust arrangements
- Gifts of real or personal property
- Cumulative gifts from several individuals reported as one contribution

Board member benefit:

If an employee becomes a board member of the non-profit of choice, an additional \$250.00 will be donated by R5DC to the non-profit for each year during the time of the board member status. Employee will need to provide the current list of board members to HR. Two terms of board member status maximum.

Employees are limited to choose one eligible non-profit for each fiscal year.

Administrative Conditions

R5DC reserves the right to suspend, change, revoke or terminate *Partner Match* at any time. Additionally, R5DC shall be the sole judge as to the eligibility of projects and potential grantee organizations including whether their missions support R5DC Guiding Principles. In all of the foregoing matters, the decisions of R5DC shall be final.

4.9 BEREAVEMENT LEAVE

In the event of death in the family of an employee (spouse, partner, mother, father, son, daughter, son-in-law, daughter-in-law, brother, sister, grandchildren, grandparents, or the spouse’s mother, father, son, daughter, brother or sister or any step family member) the employee may be granted up to three (3) days paid bereavement leave plus up to three (3) days sick or other paid leave as available.

5. BENEFIT POLICIES

The following benefit plan descriptions contain plan highlights and general information. They do not constitute any type of contract concerning the plans. The benefits described are more fully explained in applicable plan documents, insurance contracts, and summary plan descriptions. In case of a dispute, if there is a discrepancy between the information in this handbook and the summary plan descriptions or plan documents, the summary plan descriptions or plan documents will govern. R5DC reserves the right to amend, modify, or reduce the benefits provided, or terminate any of its plans at any time. Any amendment, modification, reduction or termination may be made without prior notice to participants, except as required by law.

5.1 HEALTH, H.S.A. & LIFE INSURANCE

Regular exempt employees and their dependents are provided with such insurance coverage as designated by R5DC, and the premiums are paid by both R5DC and employees.

Regular part time employees, who work 32 hours or more, are eligible for prorated health insurance. Insurance coverage will begin on the first day of the month following 30 days of employment. Temporary employees are not eligible for employee health and life insurance.

Insured employees working reduced hours may continue insurance coverage by payment of the prorated portion of their premiums.

The R5DC shall provide group health insurance coverage for employees and their dependents. The R5DC will approve the employee/organization financial premium split at the time the annual budget is reviewed and approved. Regular part-time employees may participate in the group insurance coverage if they agree to pay all of the premium rates.

[LINK TO CURRENT R5DC BENEFITS SUMMARY SCHEDULE](#)

Dependent Care Account Program (DCAP) [SEE LINK](#)

Employee has the option to participate in Dependent Care Account Program administered through R5DC. Employee elects to have a set amount deducted from their paycheck to be put into a tax-free account to be

used for dependent care expenses only. When employee is ready for reimbursement, the employee will request a statement from the Controller to determine amount available, then submit the reimbursement request to HR Director. HR Director will then submit a request for cash to Controller. Employee has one calendar year to use the amount elected to be deducted. (11/9/2020)

5.2 RETIREMENT

Employees of R5DC are public employees within the meaning of Minnesota Statutes, Chapter 353, and therefore are members of the Public Employees Retirement Association (PERA). PERA The R5DC shall make the employer's contributions to the personnel fund of its employees. The employer's contribution rate is determined by Minnesota State Statute. Employees of R5DC are also required to contribute to the Social Security Contribution Fund at the rate prescribed by law. See Appendix 6 – Benefits Summary Schedule for updated employee and employer PERA contributions.

5.3 STATUS OF BENEFITS AT TERMINATION

If you terminate your employment at R5DC, or your employment is terminated, your benefits are generally canceled as of your last day of employment. However, as a terminated employee, you may have rights and responsibilities under the employee benefit programs. Health plans are subject to continuation provisions under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Contact the Executive or Department Directors for additional information.

The last day you are actively at work will be considered your termination date. Except in cases of retirement, PTO cannot be used to extend length of service. R5DC reserves discretion on case by case situations.

Upon employee termination of employment, health insurance will be prorated. Health insurance is paid a month in advance, therefore the R5DC will reimburse prorated premiums paid by the enrollee for the month that employment was terminated. If the R5DC paid the terminated employees insurance premiums while employed with the R5DC, there will be no refund and insurance will be cancelled the last day of service.

H.S.A. benefits will be prorated by number of days actively employed with the R5DC during the month employment was terminated. The final prorated deposit will be made to the H.S.A. account prior to month end. H.S.A. accounts are owned by the account holder and are the sole responsibility of the account holder, therefore it follows the enrollee after termination of employment.

Life insurance will be cancelled the day after termination of employment. Since life insurance is a R5DC paid benefit, there will be no refund to the terminated employee.

SEE APPENDIX 7 – CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT
(COBRA)

5.4 PROFESSIONAL DEVELOPMENT AND TRAINING

The Executive Director may authorize any employee to attend job related training workshops, conferences, seminars, etc. within the State of Minnesota at the expense of the R5DC per the approved professional development budget allocations for each employee. Out-of-state training requires prior approval by the Board of Directors in accordance with the Region Five Administrative Policies and Procedures.

5.5 Family Medical Leave Act (FMLA)

The Family and Medical Leave Act (FMLA) requires private employers with 50 or more employees and all state, local, and federal government employers to give employees up to 12 work

weeks of unpaid leave a year for specific reasons. In order to take the leave, you must have recently had a child, have a serious health condition, or be taking care of a family member with a serious health condition.

In these situations, the leave must be “job-protected,” which means that after the leave, you must be allowed to return to your original job or be given another job that is similar. The FMLA also requires that these employers keep you on group health care benefits during your leave.

Because FMLA leave is unpaid, you may wish to use any paid sick leave or vacation leave that you have available before or at the same time as your FMLA leave.

Continuation of Health Care Benefits

If you had group health insurance through your employer prior to taking FMLA leave, your employer must continue to give you health care coverage during your leave. If you pay part of the cost, you must continue to do so during your leave.

Giving Notice That You Need FMLA Leave

If you know ahead of time that you will need to use FMLA leave, you must tell your employer 30 days in advance. If you know you will need to take leave in less than 30 days, you should tell your employer right away.

6. TRAVEL AND EXPENSE POLICIES

Use of personal vehicle

Employees may be reimbursed for mileage (greater than 5 miles from the office) on their personal vehicle at the rate established by the IRS.

Employees are not reimbursed for distance between home and office which is considered their regular work commute. The work commute is subtracted from total daily mileage to calculate mileage reimbursement and should be documented on expense reports as such. Employees using their personal vehicle while on R5DC business are required to have a valid driver’s license and insurance on their vehicle. Proof of insurance and a valid driver’s license are required to be submitted to the Executive or Department Directors annually. Any change in the status of their license or insurance must be reported to the Executive Director or Executive or Department Directors immediately, failure to do so could result in termination of employment.

Ordinary travel from home to home-station or home-station to home may not be counted as hours worked. For those employees who are in travel status away from their home-station any travel time may be considered as time worked, including the corresponding hours on non-working days. Meal time shall not be considered as time worked.

6.1 GENERAL TRAVEL

The general policy is to reimburse employees for reasonable costs incurred in the pursuit of their official activities while outside the office. It is the obligation of employees to avoid unnecessary and excessive expenses. ~~There is a cap of \$55.00 per day for meals while traveling on R5DC business.~~ The Budget and Personnel Committee will consider the GSA (Government Services Administration) travel and reimbursement provisions for rate changes.

Employees must obtain itemized receipts for meals, parking, taxi and other expenses. Receipts for lodging expenses are absolutely necessary for reimbursement. Receipts should be detailed enough that the date and amount of the goods and services purchased can be clearly identified. Employees should be aware that some grantor agencies will not accept major credit card receipts as the only documentation of an expense because they are not itemized.

6.2 EMPLOYEE BUSINESS EXPENSE REIMBURSEMENT

Miscellaneous Expenses

R5DC will reimburse an employee for parking, cab fare, bus fare and other miscellaneous expenses incurred while on official business. Itemized receipts should be attached to an expense sheet and submitted to the Finance Department. Parking violation fines and other motor vehicle violation expenses will not be reimbursed. Expenses submitted without a receipt will not be reimbursed.

Lodging Expenses

Lodging will be paid when it is necessary for an employee to be outside the region overnight. Lodging within the region must be approved by the employee's supervisor. Lodging should be secured at a moderate or government rate whenever available. R5DC will reimburse lodging expenses of the employee only. Business related incidental expenses, such as charges to internet connectivity, are also allowable, but should be documented.

Lodging may be billed directly to R5DC, charged to R5DC's credit card, or paid by the employee and reimbursed later.

Meal Expense

R5DC will reimburse an employee for meals incurred while conducting official business. Itemized receipts should be attached to an expense sheet and submitted to the Finance Department. Expenses submitted without itemized receipt will not be reimbursed.

In no instance is alcohol reimbursable by R5DC.

Receipts

For reimbursement employees must obtain receipts for meals, parking, taxi and other expenses. Receipts for lodging expenses are absolutely necessary for reimbursement. Receipts should be detailed enough that the date, project name, amount of the goods and services purchased can be clearly identified.

6.3 AIRFARE

Air travel must be arranged by the employee.

When purchasing airline tickets on-line, the employee should use R5DC credit card upon approval of the Executive or Department Directors.

Whenever R5DC funds are used to pay for airline travel by any R5DC representative, all incentives issued by any airline must accrue to the benefit of the employee. Examples include but are not limited to: frequent flyer vouchers, fare credit, free tickets, or reduced fare. This policy applies to all business-related airline travel, regardless of where or how the airline ticket(s) are purchased.

6.4 OUT OF STATE TRAVEL

It is recognized that out-of-state travel is necessary for the effective operation of R5DC. It is further recognized that active participation in national organizations, effectively influencing federal legislation, and participation in national training programs will require and warrant out-of-state travel for R5DC staff members and officials. Finally, it is

recognized that as a recipient of private foundation or federal funding, R5DC, as the recipient of such funding, is often required to participate in the training and development opportunities afforded by the funding authority.

Notwithstanding, as a local unit of government, accountable to the citizens of the region, out-of-state travel will be limited to those instances determined to be prudent, appropriate and essential to the delivery of R5DC programs or services. Therefore, the Board of Directors must approve the out-of-state travel of both staff and R5DC representatives.

When feasible, requests for out-of-state travel shall be submitted to the Executive Director a minimum of one month prior to the expected date of departure. Such requests shall be made in the manner prescribed by the Executive Director. To take advantage of reduced airfares, earlier submission is encouraged. The Board of Directors shall either approve or deny requests without delay. In those rare instances where it is deemed logistically impossible to abide by the notice requirements of this policy, the Executive Director and R5DC Chairman shall be authorized to approve the out-of-state travel of staff members. Following such authorization of the Executive Director, R5DC Chairman and the Board of Directors shall be notified at their next scheduled meeting.

As a general policy, no more than two representatives of the R5DC shall be authorized for out-of-state travel to any single conference, seminar or event. Exceptions, when justified, may be granted by the Board of Directors or Executive Director.

Compensation for time traveling to and from out-of-state events AND for time while at the event is capped at 8.0 hours a day maximum.

Attendance Fee

Conference, seminar and related type fees shall be paid for or reimbursed by the R5DC.

1. All purchases charged to R5DC will follow the same “purchasing” process outlined in the Operations Manual. Any questionable costs will be held for board action. R5DC will be reimbursed for any charges not approved by the Board by the employee.
2. All receipts must be submitted to Finance Department. Any charges not accompanied by a receipt will be charged to the employee.

7. OFFICE PROCEDURES

7.1 TIME SHEETS

All paid employees of R5DC are required to complete twice monthly time sheets. Time sheets indicate the actual number of hours worked daily, the program(s) to which they are to be charged, and any annual, compensatory and holiday leave taken. Revisions to time sheets must be recorded on the time sheets and must be approved by the supervisor or designee. Altering or falsifying time sheets or records is prohibited and will be grounds for disciplinary action up to and including termination of employment. Time sheets require the Executive Director or direct supervisor’s signature and approval. Actual work hours will be documented on paychecks. No employee may receive a paycheck without submitting a time sheet. Employees must use a combination of hours worked, &/or PTO or compensatory time to equal at least 8 hours each day.

7.2 EXPENSE SHEETS

Expense sheets may be submitted to the Finance Department monthly. Expense sheets should indicate destination, nature of business transacted, and costs incurred. Itemized receipts are required and should be attached to the expense sheets. Expense sheets should also indicate the project to which the charges are applicable.

All expense sheets must be signed by the employee and Executive Director. Any disputed expenses shall be forwarded to the Executive Director for final resolution.

All expense claims are subject to the policies outlined in section 6.2 EMPLOYEE BUSINESS EXPENSE REIMBURSEMENT.

Cell Phones & Internet

Cellular phones are not provided by R5DC for employees on official business or when working outside of the office. R5DC may reimburse employees for the use of their personal cell phones. The R5DC shall give prior approval for amount of reimbursement of personal cell phone/Internet usage for R5DC business. Cell phone bills that are paid in full or in-part by the R5DC may be scrutinized by the public sector for any reason and billing statements will be provided to the R5DC upon request.

The Executive Director will determine which positions require reimbursement for cell phone/Internet usage based on the following criteria:

- a. Employee travels frequently on R5DC business.
- b. Employee frequently needs to conduct R5DC business while off site.

Clear expectations need to be set by the R5DC under this policy and they include:

- Employees must be able to leave their phone number with all other R5DC employees and must grant the R5DC permission to give out your personal cell phone number.
- Provide your cell phone number on business cards, emails, voice mail, etc. and expect your cell phone number to be provided to customers.
- Employees must have voice mail on their cell phones.
- When out of the office on any R5DC business, employees must be available by cell phone/Internet. This realizes that employees may need to have their phone turned to silent or have calls sent right to voicemail during meetings. But employees will be expected to check voicemail and email messages regularly throughout the day and make return calls/emails during appropriate times.
- Set up cell phone to link with the R5DC 's computer server to send and receive email and access the calendar.

Employees receiving the allowance are responsible for:

- Providing proof of an active cell phone/Internet contract when requested.
- Replacement or repair of the phone/Internet equipment will be the responsibility of the employee.
- Contracting with a cell phone/Internet provider that provides reliable service within the employees work environment.
- Initial purchase of the cell phone/Internet, accessories, activation, and termination fees.
- All costs incurred to the cell phone/Internet provider above the allowance provided by the R5DC.
- Adhering to the R5DC's Electronic Communications Policy and other applicable policies.

7.3 **ELECTRONIC DATA AND COMMUNICATIONS POLICY**

This policy applies to all use by R5DC employees of all electronic data and communication systems. This includes R5DC's computer network, e-mail and voice mail systems, and all access to or use of the Internet.

R5DC'S computer and voice mail communication systems are provided to employees for the conduct of R5DC business. Electronic files and communications created, sent, or received through these systems are the property of R5DC.

Monitoring

R5DC reserves the right to access, monitor and disclose the use of its systems and the contents of files and communications created, sent or received on these systems at any time to determine whether there have been any breaches of security, violations of this policy or other system misuse. Accordingly, employees should have no expectations of privacy in anything they create, store, send or receive through R5DC's systems or the Internet. Notwithstanding R5DC's right to access electronic files and communications, such records should be treated as confidential by the employees and accessed only by the sender and intended recipient(s). Employees should also be aware that deleted files may be retrieved and read by R5DC.

Storage

R5DC stores all agency files on Sharepoint cloud based servers through Syvantis Technology, employees must store documents to server program. Random checks of computer desktops will be performed by the Executive Director to satisfy policy compliance. Failure to have all documents saved to SharePoint on a weekly basis is subject to reprimand and termination.

Authorization

Only employees of R5DC are authorized to use these systems, unless the Executive Director approves access by other parties.

Confidentiality

Employees must exercise special care in handling privileged, proprietary, confidential or copyrighted electronic files and communications. Any dissemination of such materials must be limited to persons with a legal right to access them.

Internet Access

All traffic to and from the Internet must travel through R5DC'S Firewall in order to assure maximum security, virus protection, monitoring and system management capabilities.

Internet Usage

Internet e-mails, newsgroup postings and other electronic communications must be conducted keeping in mind security, confidentiality and ethical obligations.

Virus Protection and Licensing

Any executable files or programs downloaded or received (by e-mail or other media) from the Internet or other external source must be scanned for viruses and licensing prior to launching. If you require assistance in scanning for viruses or licensing software, please contact the designated IT staff. If employee suspects any email to be questionably safe, they will forward email onto IT provider for confirmation of safety.

Prohibited Use

Employees are prohibited from using the systems to send, receive, access, download, display or print material that is harassing, illegal, sexually explicit, obscene, offensive, defamatory or disparaging of others based upon their race, national origin, gender, sexual orientation, age, disability, religion, political beliefs or any other protected class status.

Employees are prohibited from using the systems for non-R5DC commercial purposes or transmission of destructive programs, (i.e. viruses or self-replicating code). Employees are also prohibited from using the systems for other unlawful, unethical, defamatory or tortious activities. Prohibited use of the systems may subject employees to disciplinary action up to and including termination. Employees should not use and/or install programs, games or software on R5DC's computer system. Employees are further prohibited from disseminating, copying, or printing any copyrighted materials, including, but not limited to software programs.

Employees are expected to maintain the same degree of professionalism expected in all business communications when using e-mail.

Personal Use

While the systems are provided for the conduct of R5DC business, it is understood that they may be used occasionally for personal use as well. Reasonable personal use is not prohibited, but must be kept to a minimum and the usage must not interfere with an employee's performance of their responsibilities to the R5DC.

Off-Site Use

Off-site use of the R5DC's systems is strictly limited to business use only.

Downloading

Due to limited network and storage capacity, downloading any programs, graphics, video, or audio to the network is prohibited unless it is necessary for business purposes.

Complaints Regarding Violation of this Policy

In the event a complaint is received that an employee is abusing the system or is sending harassing, damaging, or defamatory messages, an investigation will be conducted. The employee will be informed at the beginning of the investigation. If abuses of the e-mail system are determined, the employee may be terminated.

Complaints about information sent over the system should be brought to the supervisor's attention. Whenever possible, employees should obtain a hard copy of the message about which they wish to complain. All complaints will be handled discreetly by the supervisor and/or Executive Director.

7.4 EMAIL DEPARTURE

Upon time of resignation or termination, all emails should be left in Outlook. Employees who delete any emails do not leave in good standing.

7.5 PASSWORDS

All employees are expected to submit any and all username and passwords to the Executive or Department Directors upon signing up for online programs, memberships and services. All such online sites that require a user name and password are to be approved by Executive Director before use by employee. Failure to comply warrants immediate disciplinary action.

7.6 SOCIAL MEDIA

Social platforms provide a way to collaborate and share information quickly and easily, with friends, family, and colleagues. The R5DC does not discourage our employees from using social media in their professional lives, and believes that social media can be used to strengthen our overall brand. For all intents and purposes we consider Facebook, Twitter, Google +, YouTube, MySpace, and Blogger and similar sites and programs all forms of social media that are allowable in the workplace.

Purpose & Procedures

The R5DC may choose to develop social media outlets for the entire agency or for specific projects or programs of the R5DC. Employees will be designated by the Executive Director to represent the R5DC on these social media sites and in any online forums.

When participating in online conversations, R5DC employees must always remember that they represent the R5DC and must act in accordance with the Standards Governing the Conduct of Employees as defined in the R5DC Personnel Policy. Recognize that employees are legally liable for anything that they write or present online.

Employee Responsibilities When Using Social Media

- **Be Professional.** Post meaningful, respectful comments. No blatant spam or promotion of any type.
- **Be Prompt.** Reply to comments quickly, when a response is appropriate. Remember, time is of the essence on the web.
- **Be respectful.** When disagreeing with others' comments always keep a calm composure and do not engage in inflammatory dialog.
- **Be transparent.** Honesty, or dishonesty, will be quickly noticed in the social media environment. Always identify yourself.
- **Be judicious.** Make sure that you are not sharing confidential information concerning the R5DC or any of our business partners.
- **Write what you know.** Ensure that you write and post about your area of expertise. If you are unfamiliar with a subject matter, do the research before commenting.
- **Perception is reality.** Remember that each time you write an article or post that you are creating perceptions about the R5DC and our business partners.
- **It's a conversation.** Talk to readers like you would talk to real people in professional situations. Do not be afraid to bring in your own personality and say what is on your mind.
- **Add Content.** Content is key and there is no shortage of it on the web. The only way to make content stand out is to write about topics that people will value.
- **Be a leader.** There is a fine line between healthy debate and incendiary reaction. Do not denigrate our competitors or other commenters. Be careful and considerate, when dealing with others.
- **Take Responsibility.** If you make a mistake, admit it. Be upfront and be quick with your correction.
- **Press pause.** If you are about to publish something that makes you even the slightest bit uncomfortable, then don't. Take a break and ask someone else to review it before it is published.
- **Use a disclaimer.** If you blog or post to another online forum in an unofficial capacity, you should make it clear that you are speaking for yourself and not on behalf of the R5DC. Use a statement like "The postings on this site are my own and don't represent the R5DC's positions, strategies or opinions." This is a good practice but does not exempt you from being held accountable for what you write.

7.7 NEWS RELEASES

The Executive Director must approve all news releases and articles for publication or distribution. R5DC uses the Associated Press style in its releases and newsletter. The Executive Director and Program Director will make the determination as to when news releases will be sent.

The Executive Director and/or Program Director will ask staff to review the news release before it is sent to make certain correct information is provided. Once it is sent a copy will be provided to the appropriate staff for use in answering media questions. If there is a time conflict, the Executive Director has the right to send out the release and then provide staff with a copy.

It is important to notify the Executive Director and Program Director when a project may create news coverage so that maximum visibility for R5DC and the project can be obtained. The Executive Director should be informed when staff has been contacted by media so that newspaper articles or other media coverage can be monitored.

News releases regarding employment must contain the EEO/Affirmative Action and ADA statements.

7.8 POSTAGE

Postage is provided for R5DC/program correspondence only. Employees may not purchase postage from R5DC for personal mail. A journal is maintained for all outgoing mail for finance purposes, and employees must indicate the program to be charged.

7.9 CAPITAL ASSETS

Capital assets shall be defined as all items with a unit cost of \$5,000 or more and a useful life of more than one year.

APPENDIX I

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION POLICY

R5DC shall provide Equal Employment Opportunity to all employees and applicants for employment in accordance with all applicable Equal Employment/Affirmative Action laws, directives and regulations of Federal, State, and Local governing bodies or agencies thereof, specifically Minnesota Statutes 363A.

R5DC will not discriminate against or harass any employee or applicant for employment on the basis of race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, age, political beliefs, or in any other manner that violates state or federal law.

R5DC will take affirmative action to ensure that all practices are free of such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, selection, layoff, disciplinary action, termination, rates of pay or other forms of compensation, and selection for training.

R5DC will commit the necessary time and resources, both financial and human, to achieve the intentions of Equal Employment Opportunity and Affirmative Action. As an equal opportunity/affirmative action employer, this policy may include, but not limited to the following practices:

- R5DC will display posters regarding equal employment opportunity in areas highly visible to employees.
- All advertising for job applicants will include the following statements:
“R5DC is an Equal Opportunity/Affirmative Action employer and supports incorporation of the Americans with Disabilities Act (ADA).”
“Subcontractors, grantees, and consultants must be in compliance with each of these directives.”

R5DC will evaluate the performance of its management and supervisory personnel on the basis of their involvement in achieving these Affirmative Action objectives as well as other established criteria. Any employee of this organization, or subcontractor to this employer, who does not comply with the Equal Opportunity policies and procedures as set forth in this statement will be subject to disciplinary action.

R5DC has appointed the Executive or Department Directors to manage the Equal Employment Opportunity Program. The Executive Director's responsibilities will include monitoring all Equal Employment Opportunity activities and reporting the effectiveness of the Affirmative Action Program, as required by Federal, State and Local agencies.

If any employee or applicant believes he or she has been discriminated against, please contact the Executive Director, at 200 1st Street NE, Suite 2 Staples MN 56479 or 218.894.3233. Employees and applicants will receive protection from coercion, intimidation, interference or discrimination for filing a complaint or assisting in an investigation into any wrongdoing under this policy.

**REGION FIVE DEVELOPMENT COMMISSION
CODE OF CONDUCT AND ETHICS POLICY**

PREFACE

The Region Five Development Commission (R5DC) has established standards of conduct for its employees and members of its full Commission. These standards are designed to assure the utmost in public trust and confidence in the policies and practices of the R5DC. Because of its status as a local unit of government established in MN State Statute, the R5DC recognizes its responsibility to conduct all business in a manner above reproach or censure. This Code of Conduct and Ethics Policy will describe in detail the standards by which members of the R5DC and staff are to be held accountable.

This code recognizes and incorporates those sections of federal, state, and local law which govern the conduct of public employees, and in no way supplants those provisions of law. In cases where no statutory precedent exists, the policy of the R5DC shall be applied, except that this policy shall in no way be taken to supersede the provisions of any contracts, labor agreements, or other external agreements affecting the rights and privileges of employees.

The Code of Conduct contained within the Code of Conduct and Ethics Policy shall be generally applied so as to avoid the appearance, or actual occurrence of, any favoritism or special treatment towards any loan applicants, community members, vendor, or agent having business, or dealings of any kind, with R5DC. No Commissioner or employee shall use or cause or allow to be used his or her position to secure any personal privileges for himself, herself, or others, or to influence the activities, actions, or proceeds of R5DC.

The R5DC, in establishing standards of conduct for its employees and commissioners, recognizes the importance of establishing standards of conduct for external vendors and suppliers of products and/or services to the R5DC. While the R5DC cannot mandate the internal conduct or policies of vendors, it nevertheless requires that vendors and suppliers adhere to certain basic principles in conducting business with R5DC. Specifically, these principles include:

- A. No direct or indirect personal inducement of R5DC employees. This includes the giving of gifts, money, tickets or any item or service having value.
- B. No direct or indirect inducement of members of the Board of Commissioners. This shall include the same provisions covering employees, except that it is recognized that in the course of business dealings, there may be times when meals and/or visits may be arranged. In such cases, such events should be reported to the Chairman of the Board, with the nature of the visit explained.

It is expected that vendors or suppliers of professional services to the R5DC will be governed by the Code of Conduct and Ethics Policy to which their particular profession prescribes.

Any vendor or supplier found in violation of R5DC policy shall be barred from future business dealings with the Commission. The R5DC reserves the right to have vendors and suppliers sign a statement of compliance with the standards of conduct of the R5DC.

1.0 TITLE

This shall be called the "Region Five Development Commission Code of Conduct and Ethics Policy."

2.0 APPLICABILITY

The provisions contained herein shall apply to all employees and the full Commission of the R5DC. With respect to contracted professional services of the R5DC (legal, accounting, or otherwise), it is assumed that these professionals will abide by the professional ethics of their particular profession.

3.0 PURPOSE

This Code of Conduct and Ethics Policy establishes standards for employee and Commissioner Conduct that will assure the highest level of public service. Recognizing that compliance with any ethical standards rests primarily on personal integrity, and also recognizing in general the integrity of R5DC and employees, it nevertheless sets forth those acts or omissions of acts that could be deemed injurious to the general mission of the R5DC.

This Code of Conduct and Ethics Policy is not intended, nor should it be construed as, an attempt to unreasonably intrude upon the individual employee's or Commissioner's right to privacy and the right to participate freely in a democratic society and economy.

4.0 DEFINITIONS

"Agent" shall mean any employee of the R5DC (whether full or part time) acting in his or her official capacity is an agent of the R5DC.

"Claim" shall mean any demand, written or oral, made upon the R5DC to fulfill an obligation arising from law or equity.

"Commissioner" shall mean one of the persons serving on the Region Five Development Commission.

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"Contract" shall mean any obligation to do something arising from an exchange of promises or consideration between persons, regardless of the particular form in which it is stated.

"Conventional" shall mean those programs operated by the R5DC, which are broadly considered part of the "conventional public housing program." This shall include but not

be limited to, such programs as public housing, the Capital Fund, HOPE VI, and the Public Housing Drug Elimination Program (PHDEP).

"Employee" shall mean any person appointed or hired, whether full or part time, seasonal, temporary, paid or unpaid, on a fixed or unfixed term, provisional or permanent.

"Enrollee" shall broadly mean any program participant in any program operated by the R5DC. Specifically, an "enrollee" shall be a person who expects to receive, or is receiving, some form of assistance from the R5DC.

"Family" shall mean the spouse, father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister, or a person living in a stable family relationship.

"Interest" shall mean a benefit or advantage of an economic or tangible nature that a person or a member of his or her family would gain or lose as a result of any decision, or action or omission to decide or act, on the part of the R5DC, its Commission, or employees.

"Person" shall mean any individual, corporation, partnership, business entity, association, organization, and may include an R5DC employee.

"Public Information" shall mean information obtainable pursuant to the Freedom of Information Act and R5DC guidelines adopted pursuant thereto.

5.1 ETHICAL STANDARDS FOR EMPLOYEES

No employee of the R5DC shall have any employment, or engage in any business or commercial transaction, or engage in any professional activity, or incur any obligation in which directly or indirectly he or she would have an interest that would impair his or her independence of judgment or action in the performance of his or her official duties or that would be in conflict with the performance of his or her official duties.

No employee shall have or enter into any contract with any person who has or enters into a contract with the R5DC unless:

- A. The contract between the person and the R5DC is one in which the R5DC employee has no interest, has no duties or responsibilities.
- B. If the contract with the person is one which the R5DC employee entered into prior to becoming an employee.

There shall be no preferential treatment given by an employee of the R5DC acting in performance of his or her official duties to any person, agency or organization.

No R5DC employee shall use or permit the use of R5DC-owned equipment, materials or property for the convenience or profit of himself, herself, or any other person. However

this provision shall not apply in the case of usage for "diminutive" purposes, i.e., purposes which in and of themselves should not be construed as abuse of R5DC property.

No R5DC employee shall solicit any gift or consideration of any kind, nor shall any R5DC employee accept or receive a gift having value in excess of \$25.00 regardless of the form of the gift, from any person who has an interest in any matter proposed or pending before the R5DC.

No R5DC employee acting individually can bind the R5DC by and action or verbal representation.

No R5DC employee shall disclose without proper authorization non-public information or records concerning any aspects of the operation of the R5DC, nor shall he or she use such information to the advantage or benefit of himself, herself, or any other person. This shall include records maintained on borrowers of the R5DC, for whom a properly executed release of information form shall be obtained and kept in the client file. The release of any information relative to borrowers of the R5DC shall be done pursuant to government regulations allowing the release of information among government agencies or agencies receiving government subsidy, shall be done following prescribed methods of requesting and transmitting such information, and shall be done with full knowledge of the enrollee except in those cases where through action of law the enrollee's knowledge is not required.

No R5DC employee currently employed shall represent any person, other than himself, in business negotiations, judicial or administrative actions or procedures, to which the R5DC may be a party.

No former employee of the R5DC shall personally represent any person in a matter in which the former employee personally participated while employed by the R5DC for one year, if such representation would be adverse to the interests of the R5DC. This provision shall not, however, bar the timely filing by a current or former employee, of any claim, account, demand, or suit arising out of personal injury, property damage, or any benefit authorized or permitted by law.

No R5DC employee shall have an interest in a contract between any person and the R5DC, except that this provision shall not apply if the contract was entered into prior to the employee's hire by the R5DC; the employee discloses his or her interest in the contract prior to employment; and after employment, the employee has no power to authorize or approve payment under the contract, monitor performance or compliance under the contract, or audit bills or claims under the contract and the compensation of the employee will not be affected by the contract.

No R5DC employee shall have any employment, engage in any business or commercial transaction, or engage in any professional activity in which, directly or indirectly, he or she

would have an interest that would impair his or her independence of judgment or action in the performance of his or her duties with the R5DC or that would be in conflict with his or her duties at the R5DC.

No employee of the R5DC shall discuss, vote upon, decide or take part in (formally or informally) any matter before the R5DC in which he or she has an interest. Exception shall be made in the case of an employee whose interest in the matter is minimal (e.g. an employee helping decide on a new telephone system owns 100 shares of AT&T stock), provided the employee shall fully and specifically describe his or her interest, in writing, and the underlying basis of it, whether it be ownership, investment, contract, claim, employment or family relationship, to his or her immediate supervisor prior to the employee's participation. If, in the opinion of the supervisor, there is any question as to whether the interest is minimal, the matter shall be referred to the Ethics Review Committee for a binding decision on the question.

Any matter decided on, contracted, adjudicated, or in any way acted upon by an employee who does not disclose a personal interest either in the matter, or in any person or organization having an interest in the matter, may be considered null and void by the R5DC. Such a matter may be referred to the Ethics Review Committee to render judgment and assess any penalties if necessary.

If the Ethics Review Committee renders judgment that a matter was performed; a contract entered into; or any matter was conducted, decided or acted upon in a manner prohibited by the Code of Conduct and Ethics Policy; it may then propose, among other things, that the R5DC seek an injunction against the proscribed action.

6.1 ETHICAL STANDARDS FOR COMMISSIONERS

The Board of Commissioners of the R5DC is the architect of policy governing the operations of the R5DC and retains legal and fiscal responsibility for the R5DC. Recognizing that the commissioners are chosen from a broad range of fields and professions and community interests renders difficult the circumscription of external interests and activities of the Commissioners. It is the intent that, insofar as is possible, the members of the R5DC are generally enjoined to follow the standards of conduct which are outlined in the Code of Conduct and Ethics Policy for employees. Further, it is expected that a Commissioner will voluntarily and fully outline his or her personal interests and potential conflicts of interest prior to assuming their seat on the board. Such a statement should be submitted to the Board Chairman within ninety (90) days of the Commissioner's appointment. For Commissioners currently serving, such an updated statement shall be developed within ninety (90) days of their re-appointment for a new term. Such a statement shall disclose the following:

- A. The names of any business, organizational, or professional involvements that might reasonably be inferred as having business with the R5DC and for which at some point a Commissioner might be expected to vote, legislate, or rule on a matter involving said party.
- B. Any current or past contact in, or interest in, activities or programs of the R5DC, including, but not limited to, any contracts previously bid and let, familial

relationships with any staff or other board members, or any consultative or professional contracts.

1. No Commissioner shall vote, decide on, or discuss any matter before the R5DC who has an interest in the matter, except that:
 - a. A Commissioner having interest through a voluntary association with the person or organization may be allowed to discuss the matter.
 - b. If the matter concerns a person or organization with which the Commissioner had former contact, and that former contact existed either prior to his or her selection, or occurred at least two years prior to the current discussion of the matter, the Commissioner may freely act.
2. No Commissioner may use his or her position on the R5DC to intimidate, coerce, persuade or otherwise influence any of the activities or employees of the R5DC.

7.1 ETHICS REVIEW COMMITTEE

There shall be established an Ethics Review Committee of the R5DC.

The purpose of the Committee shall be to review and render decisions on any matters involving ethical conduct, or breach of ethical conduct, by employees, vendors, or commissioners.

The Committee is empowered by the R5DC to:

- A. Call witnesses and receive depositions in the performance of its duties.
- B. Call for provision of appropriate records, files or tapes relative to the performance of its duties.
- C. Review any records maintained by the R5DC, except those records that are considered confidential or personal. However, confidential records may be examined upon execution of a proper release by the subject person.

In performing its duties, the Committee may:

- A. Issue rules and regulations consistent with and to clarify the Code of Ethics.
- B. Review any questions concerning alleged or suspected infractions of the Code of Conduct and Ethics Policy and make recommendations to the R5DC or Executive Director for further or final actions.

- C. Require financial disclosure or disclosure of any other pertinent information by employees, vendors, or commissioners.
- D. Oversee compliance by the R5DC with the Code of Conduct and Ethics Policy and any other applicable regulations involving ethics.

The Committee shall be composed of three (3) members and one (1) alternate: Board of Commissioners (1), employees (1), and a neutral third party (1). The alternate member of the panel shall be a party versed in legal/ethical issues, e.g., an attorney not currently serving as counsel to the R5DC or an academic R5DC on ethical issues.

The members of the Committee shall be appointed in the following manner:

- A. The representative of the R5DC and the neutral third party shall be selected by vote of the R5DC.
- B. The employee representative and alternate shall be selected by the Executive Director.

Each member of the Committee will serve a three (3) year term. The terms may be renewed once. In no case will a person serve more than two (2) consecutive three (3) year terms.

There shall be a chair of the Committee, elected by the members of the Committee. The chair shall serve for one (1) year and may not serve more than two (2) consecutive terms. The Executive Director of the R5DC shall serve as a non-voting Secretary of the Committee.

Voting by the Committee shall be by simple majority, with the Chair voting as any other member.

The alternate member of the Committee may attend all meetings of the Committee. In case of a conflict of interest by a committee member, the alternate member will assume the role as a voting member of the Committee. The alternate may at any and all time's voice opinions regarding the deliberations of the Committee.

The Committee shall, upon receiving a written request from either the Commissioners or any individual associated with the R5DC, respond in writing within sixty (60) days after receipt of the request, unless the Committee determines that additional time is required. If additional time is required, it shall inform the requestor of the approximate time it will be able to render a response.

The Committee shall make reports and recommendations for action to the Board of Commissioners. If the Board finds a recommended action is properly within the purview of the Executive Director or his or her designee, it shall delegate the matter without further Board action.

The legal counsel of the R5DC may be involved in the deliberations of the Committee, but he/she has no vote and cannot serve as the alternate committee member.

8.1 STARTUP PROCEDURES

Within ninety (90) days of the adoption of this policy, the members of the Ethics Review Committee shall be appointed.

The Commission representative and the alternate shall initially serve three (3) year terms. The employee representative shall initially serve a two (2) year term. The neutral third party shall initially serve a one (1) year term. This way at least one appointment will expire each year and yet continuity can be maintained.

Within ninety (90) days of the adoption of this policy, the current Commissioners and all employees shall file the required acceptance of Code of Conduct and Ethics Policy with the Executive Director.

New Commissioners and employees shall file required acceptance of Code of conduct and Ethics Policy with Executive Director prior to start date.



Signature of Executive Director

July 14, 2010

Date

APPENDIX 3

OFFICIAL Current membership LIST: NADO, GFOA.



Your Rights under the Minnesota Human Rights Act

The Minnesota Human Rights Act protects everyone in Minnesota from illegal discrimination

What is illegal discrimination?

Discrimination is when someone treats you differently or does not give you rights you would normally have because of your race, your age, your sex, or some other protected characteristic. Under the Minnesota Human Rights Act it is illegal to treat you differently because you belong to a certain group or “protected class” of people.

Protected classes covered by the Minnesota Human Rights Act

- Race
- Color
- Creed
- Religion
- National origin
- Sex
- Marital status
- Familial status
- Disability
- Public assistance
- Age
- Sexual orientation
- Local human rights commission activity

Protected Areas covered by the Minnesota Human Rights Act

Places where discrimination is not allowed are called “protected areas.” Under the Minnesota Human Rights Act, discrimination is illegal in the following protected areas:

- Business
- Credit
- Education
- Employment
- Housing
- Public Accommodations
- Public Services

There are some exceptions to the Minnesota Human Rights Act coverage. Unfortunately, unfair treatment happens a lot, but not every unfair act is illegal.

Summary of Protections

The table below shows the classes which are protected in each area.

	Employment	Housing	Public Accommodation	Public Service	Education	Credit	Business
Race	yes	yes	yes	yes	yes	yes	yes
Color	yes	yes	yes	yes	yes	yes	yes
Creed	yes	yes	yes	yes	yes	yes	no
Religion	yes	yes	yes	yes	yes	yes	no
National Origin	yes	yes	yes	yes	yes	yes	yes
Sex	yes	yes	yes	yes	yes	yes	yes
Marital Status	yes	yes	yes	no	yes	yes	no
Disability	yes	yes	yes	yes	yes	yes	yes
Public Assistance	yes	yes	no	yes	yes	yes	no
Age	yes	no	no	no	yes	no	no
Sexual Orientation	yes	yes	yes	yes	yes	yes	yes
Familial Status	yes	yes	no	no	no	no	no
Local Human Rights Commission Activity	yes	no	no	no	no	no	no

Other protections in the Minnesota Human Rights Act

Reprisal (revenge) is illegal under the Minnesota Human Rights Act. You cannot be punished for:

- Opposing discrimination
- Having friends from other protected classes
- Filing a discrimination charge or complaining about harassment or discrimination
- Taking part in an investigation by a human rights organization

It is also illegal to aid and abet discrimination. This means a person may not help someone else commit discriminatory acts.

Obstructing the work of the Department of Human Rights is illegal as well. For example, it is illegal for a person to suggest to others that they lie or withhold information relevant to a discrimination investigation, or that they refrain from testifying in a discrimination investigation.

Definitions

Protected Classes

There are 13 protected classes covered in the Minnesota Human Rights Act. These classes represent specific characteristics, like race, religion, sex or disability.

Race: such as Caucasian, African American, Asian or American Indian. Some people see themselves as belonging to more than one race.

Color: skin color.

Creed: a belief system. A creed is very important to the person who believes it. A creed is like a religion, but it does not have to involve a God or Gods.

Religion: a set of beliefs, values, and practices based on the teachings of a spiritual leader. Religion involves a God or Gods.

National Origin: what part of the world you come from, or where your ancestors lived.

Sex (gender): whether a person is male or female.

Marital Status: whether you are single, married or divorced.

Disability: a person has a disability if:

- He or she has a physical, sensory—blindness or deafness, for example—or mental impairment; and
- This impairment “materially interferes” with—it largely gets in the way of—a major life activity; or
- He or she has a record of this kind of impairment; or
- He or she is recognized as having this kind of impairment.

Not every injury or illness amounts to “disability” under the Minnesota Human Rights Act.

Public Assistance: these are government programs that help people with low incomes or special needs. Some examples of public assistance are:

- Medicaid or Medical Assistance
- Food Support (food stamps)
- Minnesota Family Investment Program (MFIP)
- Supplemental Security Income (SSI)
- Federal Housing Assistance or Section 8 Assistance
- Low Income Home Energy Assistance (LIHEAP)
- National School Lunch Program's free lunch program

Age: how old you are. This class is protected only in two areas, employment and education. If a minor—child under 18 years old—wants to file a discrimination charge, they must have a parent or legal guardian do it for them.

Sexual Orientation: whether someone is—or are thought to be—gay, lesbian, straight, bisexual or transgender.

Familial Status: someone who has children under 18 year's old living with them. Generally, a landlord cannot refuse to rent to parents with children. This class is only protected in housing.

Local Human Rights Commission Activity: you cannot be discriminated against because you serve with a local human rights commission. This class is only protected in employment.

Protected Areas

Under the Minnesota Human Rights Act, discrimination is illegal in business, credit, education, employment, housing, public accommodations and public services. These are called “protected areas.”

Employment: where you work, or a job you are applying for.

Housing: renting an apartment, or buying a house. Housing is also called “real property.”

Public Accommodations: any place generally open to the public, like:

- Grocery stores
- Restaurants
- Movie theaters
- Day care

Public Service: a place or a service run by the government. Some examples are:

- State parks
- City buses
- Libraries
- Police and fire departments
- City, county, and state departments of health

Education: any public or private school, or college, university or trade school.

Credit: an organization that gives loans, like a bank or a credit union.

Business: if you own a business, other businesses cannot discriminate against you.

What to do

If you think you are a victim of discrimination:

- Write down what happened to you if you think it was unfair.
- Write down the dates when the unfair treatment happened.
- Write down the names of other people that were there.
- Write down what the people who were there said.

Hatch Act

5 U.S.C.

United States Code, 2010 Edition
Title 5 - GOVERNMENT ORGANIZATION AND EMPLOYEES
PART III - EMPLOYEES
Subpart F - Labor-Management and Employee Relations
CHAPTER 73 - SUITABILITY, SECURITY, AND CONDUCT
SUBCHAPTER III - POLITICAL ACTIVITIES
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SUBCHAPTER III—POLITICAL ACTIVITIES

AMENDMENTS

1993—Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1001, reenacted subchapter heading without change.

§7321. Political participation

It is the policy of the Congress that employees should be encouraged to exercise fully, freely, and without fear of penalty or reprisal, and to the extent not expressly prohibited by law, their right to participate or to refrain from participating in the political processes of the Nation. (Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1001.)

PRIOR PROVISIONS

A prior section 7321, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 525, related to political contributions and services of employees in Executive agencies or competitive service, prior to the general revision of this subchapter by Pub. L. 103–94.

EFFECTIVE DATE; SAVINGS PROVISION

Section 12 of Pub. L. 103–94 provided that:

“(a) The amendments made by this Act [enacting sections 5520a and 7321 to 7326 of this title and section 610 of Title 18, Crimes and Criminal Procedure, amending sections 1216, 2302, 3302 and 3303 of this title, sections 602 and 603 of Title 18, section 410 of Title 39, Postal Service, and sections 1973d and 9904 of Title 42, The Public Health and Welfare, and omitting former sections 7321 to 7328 of this title] shall take effect 120 days after the date of the enactment of this Act [Oct. 6, 1993], except that the authority to prescribe regulations granted under section 7325 of title 5, United States Code (as added by section 2 of this Act), shall take effect on the date of the enactment of this Act.

“(b) Any repeal or amendment made by this Act of any provision of law shall not release or extinguish any penalty, forfeiture, or liability incurred under that provision, and that provision shall be treated as remaining in force for the purpose of sustaining any proper proceeding or action for the enforcement of that penalty, forfeiture, or liability.

“(c) No provision of this Act shall affect any proceedings with respect to which the charges were filed on or before the effective date of the amendments made by this Act. Orders shall be issued in such proceedings and appeals shall be taken therefrom as if this Act had not been enacted.”

DELEGATION OF AUTHORITY

Memorandum of President of the United States, Oct. 27, 1994, 59 F.R. 54515, provided:
Memorandum for the Secretary of Defense

Pursuant to authority vested in me as the Chief Executive Officer of the United States, and consistent with the provisions of the Hatch Act Reform Amendment regulations, 5 CFR 734.104, and section 301 of title 3, United States Code, I delegate to you the authority to limit the political activities of political

appointees of the Department of Defense, including Presidential appointees, Presidential appointees with Senate confirmation, noncareer SES appointees, and Schedule C appointees.

You are authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

Memorandum of President of the United States, Oct. 24, 1994, 59 F.R. 54121, provided:

Memorandum for the Secretary of State

Pursuant to authority vested in me as the Chief Executive Officer of the United States, and consistent with the provisions of the Hatch Act Reform Amendment regulations, 5 CFR 734.104, and section 301 of title 3, United States Code, I delegate to you the authority to limit the political activities of political appointees of the Department of State, including Presidential appointees, Presidential appointees with Senate confirmation, noncareer SES appointees, and Schedule C appointees.

You are authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

Memorandum of President of the United States, Sept. 30, 1994, 59 F.R. 50809, provided:

Memorandum for the Attorney General

Pursuant to authority vested in me as the Chief Executive Officer of the United States, and consistent with the provisions of the Hatch Act Reform Amendment regulations, 5 CFR 734.104, and section 301 of title 3, United States Code, I delegate to you the authority to limit the political activities of political appointees of the Department of Justice, including Presidential appointees, Presidential appointees with Senate confirmation, noncareer SES appointees, and Schedule C appointees.

You are authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

§7322. Definitions

For the purpose of this subchapter—

- (1) “employee” means any individual, other than the President and the Vice President, employed or holding office in—
 - (A) an Executive agency other than the Government Accountability Office;
 - (B) a position within the competitive service which is not in an Executive agency;or
 - (C) the government of the District of Columbia, other than the Mayor or a member of the City Council or the Recorder of Deeds;

but does not include a member of the uniformed services;

- (2) “partisan political office” means any office for which any candidate is nominated or elected as representing a party any of whose candidates for Presidential elector received votes in the last preceding election at which Presidential electors were selected, but shall exclude any office or position within a political party or affiliated organization; and

- (3) “political contribution”—

- (A) means any gift, subscription, loan, advance, or deposit of money or anything of value, made for any political purpose;
- (B) includes any contract, promise, or agreement, express or implied, whether or not legally enforceable, to make a contribution for any political purpose;
- (C) includes any payment by any person, other than a candidate or a political party or affiliated organization, of compensation for the personal services of another person which are rendered to any candidate or political party or affiliated organization without charge for any political purpose; and
- (D) includes the provision of personal services for any political purpose.

(Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1001; amended Pub. L. 108–271, §8(b), July 7, 2004, 118 Stat. 814.)

PRIOR PROVISIONS

A prior section 7322, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 525, prohibited employees in Executive agencies or competitive service from using official authority or influence to coerce political actions of persons or bodies, prior to the general revision of this subchapter by Pub. L. 103–94.

AMENDMENTS

2004—Par. (1)(A). Pub. L. 108–271 substituted “Government Accountability Office” for “General Accounting Office”.

§7323. Political activity authorized; prohibitions

(a) Subject to the provisions of subsection (b), an employee may take an active part in political management or in political campaigns, except an employee may not—

(1) use his official authority or influence for the purpose of interfering with or affecting the result of an election;

(2) knowingly solicit, accept, or receive a political contribution from any person, unless such person is—

(A) a member of the same Federal labor organization as defined under section 7103(4) of this title or a Federal employee organization which as of the date of enactment of the Hatch Act Reform Amendments of 1993 had a multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4)));

(B) not a subordinate employee; and

(C) the solicitation is for a contribution to the multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4))) of such Federal labor organization as defined under section 7103(4) of this title or a Federal employee organization which as of the date of the enactment of the Hatch Act Reform Amendments of 1993 had a multicandidate political committee (as defined under section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4))); or

(3) run for the nomination or as a candidate for election to a partisan political office; or

(4) knowingly solicit or discourage the participation in any political activity of any person who—

(A) has an application for any compensation, grant, contract, ruling, license, permit, or certificate pending before the employing office of such employee; or

(B) is the subject of or a participant in an ongoing audit, investigation, or enforcement action being carried out by the employing office of such employee.

(b)(1) An employee of the Federal Election Commission (except one appointed by the President, by and with the advice and consent of the Senate), may not request or receive from, or give to, an employee, a Member of Congress, or an officer of a uniformed service a political contribution.

(2)(A) No employee described under subparagraph (B) (except one appointed by the President, by and with the advice and consent of the Senate), may take an active part in political management or political campaigns.

(B) The provisions of subparagraph (A) shall apply to—

(i) an employee of—

(I) the Federal Election Commission or the Election Assistance Commission;

(II) Federal Bureau of Investigation;

(III) the Secret Service;

(IV) the Central Intelligence Agency;
(V) the National Security Council;
(VI) National Security Agency;
(VII) the Defense Intelligence Agency;
(VIII) the Merit Systems Protection Board;
(IX) the Office of Special Counsel;
(X) the Office of Criminal Investigation of the Internal Revenue Service;
(XI) Office of Investigative Programs of the United States Customs Service;
(XII) the Office of Law Enforcement of the Bureau of Alcohol, Tobacco, and
Firearms;
(XIII) the National Geospatial-Intelligence Agency; or
(XIV) the Office of the Director of National Intelligence; or

(ii) a person employed in a position described under section 3132(a)(4), 5372, 5372a, or 5372b of title 5, United States Code.

(3) No employee of the Criminal Division or National Security Division of the Department of Justice (except one appointed by the President, by and with the advice and consent of the Senate), may take an active part in political management or political campaigns.

(4) For purposes of this subsection, the term “active part in political management or in a political campaign” means those acts of political management or political campaigning which were prohibited for employees of the competitive service before July 19, 1940, by determinations of the Civil Service Commission under the rules prescribed by the President.

(c) An employee retains the right to vote as he chooses and to express his opinion on political subjects and candidates.

(Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1002; amended Pub. L. 103–359, title V, §501(k), Oct. 14, 1994, 108 Stat. 3430; Pub. L. 104–201, div. A, title XI, §1122(a)(1), Sept. 23, 1996, 110 Stat. 2687; Pub. L. 106–554, §1(a)(3) [title VI, §645(a)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A–170; Pub. L. 107–252, title VIII, §811(a), Oct. 29, 2002, 116 Stat. 1727; Pub. L. 108–458, title I, §1079(a), Dec. 17, 2004, 118 Stat. 3695; Pub. L. 109–177, title V, §506(b)(2), Mar. 9, 2006, 120 Stat. 249; Pub. L. 110–417, [div. A], title IX, §931(a)(1), Oct. 14, 2008, 122 Stat. 4575.)

REFERENCES IN TEXT

The date of enactment of the Hatch Act Reform Amendments of 1993, referred to in subsec. (a)(2)(A), (C), is the date of enactment of Pub. L. 103–94, which was approved Oct. 6, 1993.

PRIOR PROVISIONS

A prior section 7323, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 525, prohibited employee in Executive agency from requesting, receiving from, or giving to, an employee, a Member of Congress, or an officer of a uniformed service, a thing of value for political purposes and provided for removal from service of employee for violation, prior to the general revision of this subchapter by Pub. L. 103–94.

AMENDMENTS

2008—Subsec. (b)(2)(B)(i)(XIII). Pub. L. 110–417 substituted “National Geospatial-Intelligence Agency” for “National Imagery and Mapping Agency”.

2006—Subsec. (b)(3). Pub. L. 109–177 inserted “or National Security Division” after “Criminal Division”.

2004—Subsec. (b)(2)(B)(i)(XIV). Pub. L. 108–458 added subcl. (XIV).

2002—Subsec. (b)(2)(B)(i)(I). Pub. L. 107–252 inserted “or the Election Assistance Commission” after “Commission”.

2000—Subsec. (b)(2)(B)(ii). Pub. L. 106–554 substituted “5372a, or 5372b” for “or 5372a”.

1996—Subsec. (b)(2)(B)(i)(XIII). Pub. L. 104–201 substituted “National Imagery and Mapping Agency” for “Central Imagery Office”.

1994—Subsec. (b)(2)(B)(i)(XIII). Pub. L. 103–359 added subcl. (XIII).

EFFECTIVE DATE OF 2004 AMENDMENT

For Determination by President that amendment by Pub. L. 108–458 take effect on Apr. 21, 2005, see Memorandum of President of the United States, Apr. 21, 2005, 70 F.R. 23925, set out as a note under section 401 of Title 50, War and National Defense.

Amendment by Pub. L. 108–458 effective not later than six months after Dec. 17, 2004, except as otherwise expressly provided, see section 1097(a) of Pub. L. 108–458, set out as an Effective Date of 2004 Amendment; Transition Provisions note under section 401 of Title 50, War and National Defense.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–252 effective upon appointment of all members of the Election Assistance Commission under section 15323 of Title 42, The Public Health and Welfare, see section 15534(a) of Title 42.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–201 effective Oct. 1, 1996, see section 1124 of Pub. L. 104–201, set out as a note under section 193 of Title 10, Armed Forces.

TRANSFER OF FUNCTIONS

For transfer of the functions, personnel, assets, and obligations of the United States Secret Service, including the functions of the Secretary of the Treasury relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 381, 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

For transfer of functions, personnel, assets, and liabilities of the United States Customs Service of the Department of the Treasury, including functions of the Secretary of the Treasury relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 203(1), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

For transfer of authorities, functions, personnel, and assets of the Bureau of Alcohol, Tobacco and Firearms, including the related functions of the Secretary of the Treasury, to the Department of Justice, see section 531(c) of Title 6, Domestic Security and section 599A(c)(1) of Title 28, Judiciary and Judicial Procedure.

§7324. Political activities on duty; prohibition

(a) An employee may not engage in political activity—

- (1) while the employee is on duty;
- (2) in any room or building occupied in the discharge of official duties by an individual employed or holding office in the Government of the United States or any agency or instrumentality thereof;
- (3) while wearing a uniform or official insignia identifying the office or position of the employee; or
- (4) using any vehicle owned or leased by the Government of the United States or any agency or instrumentality thereof.

(b)(1) An employee described in paragraph (2) of this subsection may engage in political activity otherwise prohibited by subsection (a) if the costs associated with that political activity are not paid for by money derived from the Treasury of the United States.

(2) Paragraph (1) applies to an employee—

- (A) the duties and responsibilities of whose position continue outside normal duty hours and while away from the normal duty post; and
- (B) who is—
 - (i) an employee paid from an appropriation for the Executive Office of the President; or

(ii) an employee appointed by the President, by and with the advice and consent of the Senate, whose position is located within the United States, who determines policies to be pursued by the United States in relations with foreign powers or in the nationwide administration of Federal laws.

(Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1003.)

PRIOR PROVISIONS

A prior section 7324, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 525; Pub. L. 93–268, §4(a), Apr. 17, 1974, 88 Stat. 87, prohibited Executive agency employees and employees of the District of Columbia from influencing elections or taking part in political campaigns, prior to the general revision of this subchapter by Pub. L. 103–94.

§7325. Political activity permitted; employees residing in certain municipalities

The Office of Personnel Management may prescribe regulations permitting employees, without regard to the prohibitions in paragraphs (2) and (3) of section 7323(a) and paragraph (2) of section 7323(b) of this title, to take an active part in political management and political campaigns involving the municipality or other political subdivision in which they reside, to the extent the Office considers it to be in their domestic interest, when—

(1) the municipality or political subdivision is in Maryland or Virginia and in the immediate vicinity of the District of Columbia, or is a municipality in which the majority of voters are employed by the Government of the United States; and

(2) the Office determines that because of special or unusual circumstances which exist in the municipality or political subdivision it is in the domestic interest of the employees and individuals to permit that political participation.

(Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1004; amended Pub. L. 104–93, title III, §308, Jan. 6, 1996, 109 Stat. 966.)

PRIOR PROVISIONS

A prior section 7325, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 526; Pub. L. 96–54, §2(a)(44), Aug. 14, 1979, 93 Stat. 384, related to penalties, prior to the general revision of this subchapter by Pub. L. 103–94.

AMENDMENTS

1996—Pub. L. 104–93 inserted “and paragraph (2) of section 7323(b)” after “section 7323(a)”.

§7326. Penalties

An employee or individual who violates section 7323 or 7324 of this title shall be removed from his position, and funds appropriated for the position from which removed thereafter may not be used to pay the employee or individual. However, if the Merit System Protection Board finds by unanimous vote that the violation does not warrant removal, a penalty of not less than 30 days’ suspension without pay shall be imposed by direction of the Board.

(Added Pub. L. 103–94, §2(a), Oct. 6, 1993, 107 Stat. 1004.)

PRIOR PROVISIONS

A prior section 7326, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 526, authorized nonpartisan political activities, prior to the general revision of this subchapter by Pub. L. 103–94.

A prior section 7327, Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 526; Pub. L. 96–54, §2(a)(14), (15), Aug. 14, 1979, 93 Stat. 382; Pub. L. 97–468, title VI, §615(b)(1)(E), Jan. 14, 1983, 96 Stat. 2578, related to permitted political activity in certain municipalities where employees reside, prior to the general revision of this subchapter by Pub. L. 103–94.

A prior section 7328, added Pub. L. 96–191, §8(e)(1), Feb. 15, 1980, 94 Stat. 33, exempted employees of the General Accounting Office from provisions of this subchapter, prior to the general revision of this subchapter by Pub. L. 103–94

COBRA

U.S. Department of Labor
Employee Benefits Security Administration
<http://www.dol.gov>

Consolidated Omnibus Budget Reconciliation Act (COBRA)

Throughout a career, workers will face multiple life events, job changes or even job losses. A law enacted in 1986 helps workers and their families keep their group health coverage during times of voluntary or involuntary job loss, reduction in the hours worked, transition between jobs and in certain other cases. The law — the Consolidated Omnibus Budget Reconciliation Act (COBRA) — gives workers who lose their health benefits the right to choose to continue group health benefits provided by the plan under certain circumstances.

COBRA generally requires that group health plans sponsored by employers with 20 or more employees in the prior year offer employees and their families the opportunity for a temporary extension of health coverage (called continuation coverage) in certain instances where coverage under the plan would otherwise end.

The law generally covers group health plans maintained by employers with 20 or more employees in the prior year. It applies to plans in the private sector and those sponsored by state and local governments. Provisions of COBRA covering state and local government plans are administered by the Department of Health and Human Services.

Several events that can cause workers and their family members to lose group health coverage may result in the right to COBRA coverage. These include:

- voluntary or involuntary termination of the covered employee's employment for reasons other than "gross misconduct";
- reduced hours of work for the covered employee;
- covered employee becoming entitled to Medicare;
- divorce or legal separation of a covered employee;
- death of a covered employee; or
- loss of status as a "dependent child" under plan rules.

Under COBRA, the employee or family member may qualify to keep their group health plan benefits for a set period of time, depending on the reason for losing the health coverage. The following represents some basic information on periods of continuation coverage:

Qualified Beneficiary Qualifying Event Period of Coverage

Employee Termination 18 months *
Spouse Reduced hours
Dependent child
Spouse Employee entitled to Medicare 36 months
Dependent child Divorce or legal separation
Death of covered employee
Dependent child Loss of dependent child status 36 months

**This 18-month period may be extended for all qualified beneficiaries if certain conditions are met in cases where a qualified beneficiary is determined to be disabled for purposes of COBRA.*

However, COBRA also provides that your continuation coverage may be cut short in certain cases.

Notification Requirements:

An initial notice must be furnished to covered employees and spouses, at the time coverage under the plan commences, informing them of their rights under COBRA and describing provisions of the law. COBRA information also is required to be contained in the plan's summary plan description (SPD). See fact sheet "Workers' Right to Health Plan Information (ERISA, Claims Procedures and SPD Regulation)"

When the plan administrator is notified that a qualifying event has happened, it must in turn notify each qualified beneficiary of the right to choose continuation coverage.

COBRA allows at least 60 days from the date the election notice is provided to inform the plan administrator that the qualified beneficiary wants to elect continuation coverage.

Under COBRA, the covered employee or a family member has the responsibility to inform the plan administrator of a divorce, legal separation, disability or a child losing dependent status under the plan.

Employers have a responsibility to notify the plan administrator of the employee's death, termination of employment or reduction in hours, or Medicare entitlement.

If covered individuals change their marital status, or their spouses have changed addresses, they should notify the plan administrator.

Premium Payments

Qualified beneficiaries may be required to pay the entire premium for coverage up to 102% of the cost to the plan. Premiums may be higher for persons exercising the disability provisions of COBRA. Failure to make timely payments may result in loss of coverage.

Premiums may be increased by the plan; however, premiums generally must be set in advance of each 12-month premium cycle.

Individuals subject to COBRA coverage may be responsible for paying all costs related to deductibles, and may be subject to catastrophic and other benefit limits.

DRUG & ALCOHOL TESTING

Procedure

(i) All alcohol or drug screening tests for which blood is drawn or urinalysis or breathalyzer sample are taken shall be administered by a competent person. All drug and alcohol testing analysis shall be done by a laboratory licensed by the Minnesota commissioner of health.

(ii) Any employee who is covered by this policy, who is using medication that is prescribed by a physician which will significantly interfere with the employee's work performance, is required to notify his/her supervisor when reporting for work. Supervisors will assign other work if available; if appropriate work is not available, the employee may be required to take PTO.

(iii) Prior to requiring a drug or alcohol test, the employee or job applicant will be given an opportunity to review the policy. The employee or job applicant will be asked to indicate any medication that the individual is currently taking or has recently taken and other information relevant to the reliability of or explanation for a positive test result.

(e) Circumstances for a drug or alcohol test

(i) The employer may, at its discretion, require drug/alcohol testing under the following circumstances:

1) Applicant. When a person applies to become an employee of R5DC, provided a conditional job offer has been made to the applicant. The same test will be required of all applicants conditionally offered employment for the position.

2) Reasonable suspicion testing. If there is reasonable suspicion that an employee:

a) Is under the influence of drugs or alcohol;

b) Has violated any of the rules, set out in section c above ("rules"); or

c) Has caused a work-related accident or was operating or helping to operate machinery, equipment or vehicles involved in a work-related accident.

3) Treatment program testing. If the employee has been referred by R5DC for chemical dependency treatment or evaluation or is participating in a chemical dependency treatment program, drug/alcohol testing may be requested or required without prior notice anytime during the evaluation or treatment period and for a period of up to one (1) year following completion of any prescribed chemical dependency treatment program.

4) Random, return to duty, and follow-up basis testing. These tests are limited to employees required to maintain a commercial driver's license as a condition of employment. DOT drug testing is in place for employees who are required to have a commercial license for their job. Such testing will be done in compliance with the dot drug/alcohol testing policy.

(f) Test results and consequences:

(i) Applicant:

1) If an applicant refuses to submit to a drug/alcohol test, the conditional job offer will be withdrawn and the applicant will not be hired or considered further.

2) If an applicant tampers with any (the applicant's or another's) urine or blood sample, the applicant will be given no further consideration.

3) If at any step (initial screening, confirmatory test or confirmatory retest) the test result or a sample is negative, there will be no adverse impact on the employer's consideration of the applicant and his/her qualifications.

4) If the applicant adequately explains a positive test result, there will be no adverse impact on the employer's consideration of the applicant and his/her qualification.

5) If the initial screening test result is positive and is verified by a confirmatory test, the applicant may request a confirmatory retest of the original sample, at the original laboratory, at the applicant's own expense and/or may submit additional information to the employer to explain that result. If a

confirmatory retest is not requested or is positive or if the applicant does not submit satisfactory information within 7 calendar days after notification of the test result, the job offer will be withdrawn.

6) If a job offer is withdrawn, the employer will inform the applicant of the reason.

(g) Employee

(i) If an employee refused to submit to a lawful drug/alcohol test, he/she will be subject to discipline, up to and including termination.

(ii) If an employee tampers with any (the employee's or another's) urine or blood sample, the employee will be subject to discipline, up to and including discharge.

(iii) If, at any step, (initial screening, confirmatory test, or confirmatory retest), the test result on a sample is negative, no adverse employment action will be taken based on that sample alone.

(iv) If an employee satisfactorily explains a positive test result, no adverse action will be taken based on that result.

(v) If the confirmatory test is positive, the employee may request a confirmatory retest of the original sample at the employee's own expense and/or submit additional information to explain the positive test result.

(vi) If the confirmatory retest confirms the original positive test result and this was the first confirmed positive test result for the employee, the employee will be given an opportunity to participate in, at the employee's own expense or pursuant to the employee benefit plan, a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by the employer after consultation with a chemical use counselor, doctor, or health care professional of R5DC's choosing:

(vii) If the employee refused to participate in counseling or a rehabilitation program or fails to successfully complete the program, as evidenced by withdrawal from the program before its completion or by a positive test result on a confirmatory test after completion of the program or by failing to maintain recommended sobriety or drug-free status after completion of the program, he/she will be subject to immediate termination.

(viii) No adverse employment action will be taken if the employee participates and successfully completes the counseling or rehabilitation program and does not have another positive test result within one (1) year after completion of the program.

(ix) An employee who has tested positive may be temporarily suspended or transferred to another position at the same rate of pay pending the outcome of a confirmatory test and, if requested, a confirmatory retest, if the employer believes that it is reasonably necessary to protect the health or safety of the employee, co-employees or the public. If the outcome of the confirmatory test or requested confirmatory retest is negative, the employee will be reinstated with back pay. If the confirming test is positive, it will be covered under "f" of this section, above.

(x) If the confirmatory retest confirms the original positive test result and this was not the first confirmed positive test result for the employee on a test requested by the employer, the rule c of this policy has not been violated, the employee will be subject to immediate termination.

(xi) Violation of this policy will be grounds for taking disciplinary action against an employee, up to and including termination of employment. A willful failure to cooperate with R5DC in enforcing this policy will also be grounds for disciplinary action, up to and including termination.

(xii) Every employee is responsible for assuring compliance with this policy and these rules. Every employee has a duty to cooperate with any investigation of suspected violation(s) of this policy or these rules. Every employee and applicant has an affirmative duty to inform R5DC of all information relevant to the reliability of, or explanation for, a positive test result.

(h) Every employee is expected, as a condition of continued employment, to cooperate in screening programs and drug/alcohol testing under this policy and any refusal to do so may be grounds for disciplinary action, up to and including termination.

(i) Data privacy

- (i) Test result reports and other information acquired in the drug or alcohol testing process are private data on individuals and will not be disclosed to another employer or to a third-party individual, governmental agency, or private organization without the written consent of the employee or job applicant tested; except that evidence of a positive test result on a confirmatory test may be:
 - (ii) Used in arbitration proceedings pursuant to a collective bargaining agreement, an administrative hearing under Minnesota § ch.43a or other applicable state or local law, or a judicial proceeding, provided that information is relevant to the hearing proceedings. Disclosed to any federal agency or other unit of the united states government as required under federal law, regulations, or order, in accordance with compliance requirements of a general government contract; and
 - (iii) Disclosed to substance abuse treatment facility for the purpose of evaluation or treatment of the employee.
- (j) Conviction for off-duty conduct
- (i) For a first conviction involving off duty drinking (or other drug use) and driving violation, the employer will impose discipline only in relation to the following:
 - 1) Any work-related restrictions imposed by the court will be honored and enforced by the employer.
 - 2) Failure to complete required treatment or violation of court imposed restrictions will be grounds for discipline.
 - 3) A second conviction within two (2) years, relating to impairment affecting driving capability will be grounds for immediate dismissal from any position requiring a driver’s license.
 - 4) Employee shall immediately report any charges or conviction to employer if it affects the ability to perform duties of employment.

APPENDIX 8

Succession Planning

WHAT IF: The EXECUTIVE DIRECTOR leaves through an unplanned or in an unexpected way, perhaps due to health, an accident, etc. Who within the organization is prepared to step into that role and maintain the relationships with donors, funders, community leaders and other stakeholders? Who in the organization would be prepared to provide appropriate leadership oversight regarding the organization’s fund development, communications, operations, programs and board liaison responsibilities?

Whether the shift in leadership is unplanned/unexpected or predictable and planned, that transition between leaders can leave an organization in a vulnerable state. Loss of confidence in the organization’s ability to fulfill commitments, respond to the needs of programs and the communities served, etc. could significantly hamper an organization’s reputation and longer-term viability. The ability to recover (more quickly than not) from the shock of leader transition can be supported by having a plan and implementation strategy to have key functions and responsibilities “covered” by an alternate leader if the primary leader is unable to fulfill his/her responsibilities.

“On-going leader development” is a philosophy which emphasizes the need to attend to staff development plans and actions in order to create and maintain a pipeline of people capable of taking on various leadership responsibilities needed within the organization, on a short-term basis and for future leadership needs within the organization.

SUCCESSION PLAN
For Region Five Development Commission (R5DC)
Executive Director Position
Cheryal Lee Hills

Approved by the Commission on R5DC
(This Plan is reviewed, updated and approved upon request of Board.)

EMERGENCY PLAN - Short Term Unplanned Absence.

1. Rationale: When the EXECUTIVE DIRECTOR departs unexpectedly, usually due to death or illness, this can be used as a short-term “stop gap” measure to sustain viability for the short-term or for longer-term use when it will take time for recovery of illness or to go through replacement.
2. Priority Functions of the EXECUTIVE DIRECTOR – see attached job description. Those functions include:
 - A. Carry out the mission of R5DC as stated by R5DC Commission through planning, administration and communication.
 - B. Assure that the overall operations of the corporation are carried out in an effective, professional, and timely manner.
3. Approved Actions in the Event of an unplanned temporary/short absence or death of the EXECUTIVE DIRECTOR.
 - A. The Commission authorizes the Board of Directors to implement the terms of this emergency plan.
 - B. The Finance Director or other appropriate staff shall immediately inform the Chair of the Commission of the EXECUTIVE DIRECTOR’s absence.
 - C. The Commission Chair shall convene a meeting of the Board of Directors in person or via conference call to affirm the procedures prescribed in this plan or to make modifications the Board deems appropriate.
 - D. Standing Appointee to the position of Acting EXECUTIVE DIRECTOR: to be BJ Allen
 - E. 1st and 2nd backups for the position of Acting EXECUTIVE DIRECTOR: Should BJ Allen be unable to assume responsibilities as the Acting EXECUTIVE DIRECTOR, the first back-up appointee will be Tad Erickson. The second back-up appointee will be Staci Headley.

The Board of Directors may consider the option of splitting executive duties among the designated appointees.

4. Cross-Training Plan for Appointees: The EXECUTIVE DIRECTOR with the help of the Finance Director shall develop a plan for training the three potential appointees in each of the priority functions of the EXECUTIVE DIRECTOR. *(from job description)*

The training plan will be attached to this document when the plan is completed. The Finance Director shall have the responsibility of handling the logistics of the plan’s implementation.

5. Authority and restrictions of the Appointee: The person appointed as Acting EXECUTIVE DIRECTOR shall have the full authority for decision-making and independent action as the regular EXECUTIVE DIRECTOR. This includes signature authority on all accounts, investments and checks, etc. The R5DC Finance Director, will immediately issue all appropriate signature changes to include Acting EXECUTIVE DIRECTOR; such as signature cards for checking accounts at banks, etc.

6. Compensation: The Acting EXECUTIVE DIRECTOR shall receive a temporary salary increase to the entry-level salary of the EXECUTIVE DIRECTOR OR to 5% above his/her current salary, whichever is greater.
7. The Commission Chair is responsible for oversight and support to the Acting EXECUTIVE DIRECTOR: As with the EXECUTIVE DIRECTOR, the Commission Chairperson will have responsibility for monitoring the work of the Acting EXECUTIVE DIRECTOR. In addition, the Board of Directors will also be alert to the special support needs of the Acting EXECUTIVE DIRECTOR in their temporary leadership role.
8. Communications Plan: As soon as possible after the Acting EXECUTIVE DIRECTOR has begun covering an unplanned absence of the EXECUTIVE DIRECTOR, The Board Chair shall communicate the temporary leadership structure to the following key supporters external to R5DC:
 - A. All local units of government within 5-county service territory
 - B. North Central Economic Development Association – Full Corporation
 - C. Key Customers (contractual partners & borrowers)
 - D. Key Partners; foundations and MADO
 - E. When appropriate the Communications Officer will develop a press release for regional newspapers and media. Press release will also be sent to all newspapers and news outlets in the region.

TEMPORARY LONG-TERM PLAN

1. **Rationale:** When the EXECUTIVE DIRECTOR's unplanned absence is expected to last more than 3 months and it is expected that the EXECUTIVE DIRECTOR will return to his/her position once the events precipitating the absence are resolved.
Process: A determination will be made by the Board of Directors to decide if the EXECUTIVE DIRECTOR is ready and able to resume the duties of the position. If it is determined that the EXECUTIVE DIRECTOR is not either ready nor able to resume the duties of the position, and therefore will not be reinstated, then the Permanent Plan outlined in this document will commence. If it is determined that they are ready and able to resume the duties of the position, then a plan for an orderly return will be established, communicated and implemented.

If the Board of Directors determines that the EXECUTIVE DIRECTOR **will be able** to resume the duties of the position, then the following procedures will be taken.

2. **Procedures:** The procedures and conditions to be followed shall be the same as for the unplanned short-term absence with one addition:
 - A. The Board of Directors of the Commission will give immediate consideration in consultation with Acting EXECUTIVE DIRECTOR, to temporarily back-fill the position left vacant by the Acting EXECUTIVE DIRECTOR (filling BJ's position). OR they may decide to develop a temporary plan utilizing **multiple** appropriate staff to cover the responsibilities of the position (BJ's) left vacant. This is in recognition of the fact that, for a term of more than 3 months, it may not be reasonable to expect the Acting EXECUTIVE DIRECTOR to carry the duties of both positions. The position description of a temporary position would focus on covering the priority areas in which the Acting EXECUTIVE DIRECTOR needs assistance.

PERMANENT PLAN

1. **Rationale:** A permanent unplanned absence is one in which it is firmly determined that the EXECUTIVE DIRECTOR will not be returning to the position.
2. **Procedures:** The procedures and conditions shall be the same as the temporary long-term plan for an unplanned absence with the following additions:

- A. The Commission shall appoint a Search Committee to include a minimum of two Commission members, one NCEDA Full Corp member, one foundation representatives and begin the process of a search for a permanent long-term EXECUTIVE DIRECTOR.
- B. Search Committee will utilize a Search Consultant who will report directly to the Chair of the Search Committee to develop a full search plan and implementation.
- C. Search Committee Chair will work with the Acting EXECUTIVE DIRECTOR to:
 - 1. Develop Request For Proposal (RFP) for a search consultant, that a search firm considered for selection criteria would have a rural perspective, Minnesota base preferred, experience in working with organizations similar to R5DC and other criteria that could be developed by the search committee.
 - 2. Set up interviews with Search Consultant candidates, and
 - 3. Once a Search Consultant has been selected, amend the organizational budget to include both Search Committee and Search Consultant expenses.
- D. When the selection of the new EXECUTIVE DIRECTOR is made, the Search Committee Chair will work with Acting EXECUTIVE DIRECTOR to development a communications plan utilizing, where appropriate, the communications plan above for the formal announcement of a new EXECUTIVE DIRECTOR.

APPROVALS AND MAINTENANCE OF RECORD

- 1. **Succession Plan Approval:** This succession plan will be approved by the full Commission. Following approval, the plan will be reviewed and amended as needed annually by the Board of Directors and forwarded to the full Commission for its vote and approval at the June meeting of the Commission.
- 2. **Signatories:** The Board Chair, EXECUTIVE DIRECTOR, Finance Director and the appointees designated in this plan shall sign this plan and all updated version of the plan if there are changes at the June meeting of the Commission.
- 3. **Maintenance of Record:** Copies of this plan shall be maintained by the Board Chair, EXECUTIVE DIRECTOR, Finance Director, and filed annually with the official corporate minute book upon annual approval of the Succession Plan.

SIGNATORIES

TO Be Annually Updated and Secured at Commission June Meeting

This Succession Plan has been reviewed and approved by the full Board of the R5DC Commission on R5DC.

Chair of the Commission

EXECUTIVE DIRECTOR

1st NCEDA Appointee

2nd Foundation Appointee

3rd R5DC Commissioner Appointee

4rd R5DC Commissioner Appointee