



**EMPLOYEE POLICY
AND
PROCEDURE MANUAL**

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TABLE OF CONTENTS

INTRODUCTORY STATEMENT	4
DEFINITIONS.....	4
SECTION 1 - DISTRICT PRACTICES.....	5
EQUAL EMPLOYMENT OPPORTUNITIES	5
HARASSMENT POLICY	6
AT-WILL EMPLOYMENT	8
SECTION 2 - PUBLIC COMPLAINTS.....	8
SECTION 3 - EMPLOYEE STATUS.....	9
FULL TIME.....	9
TRIAL PERIOD	9
PART TIME.....	9
SECTION 4 - EMPLOYMENT POLICIES AND PROCEDURE	9
HOURS OF WORK.....	9
OVERTIME.....	10
CALL STATUS.....	10
TIME CARD.....	11
PAY PERIOD.....	11
COMPENSATION	11
CONTINUITY of SERVICE.....	11
PERFORMANCE EVALUATION	12
REDUCTIONS IN FORCE	13
PERSONNEL FILES.....	13
TRAVEL COST REIMBURSEMENT	13
REGISTRATION FEES	14
MAKE-UP TIME.....	14
OPEN DOOR POLICY	14
RESIGNATION.....	15
SECTION 5 – BENEFITS	15
VACATION.....	15
HOLIDAYS	17
SICK LEAVE	17
KIN CARE.....	18
FAMILY MEDICAL LEAVE ACT.....	19
WORKER’S COMPENSATION	22
BEREAVEMENT LEAVE.....	22
RETIREMENT	23
MEDICAL	23
JURY/WITNESS DUTY	23
VICTIMS OF VIOLENT CRIME LEAVE.....	23
VOLUNTEER FIREFIGHTERS AND PEACE OFFICERS.....	24
SECTION 6 - OPERATIONAL PROVISIONS:.....	24
EMPLOYEES WHO ARE REQUIRED TO DRIVE.....	24
USE OF CELL PHONE WHILE DRIVING.....	25

EMPLOYER PROPERTY	25
REPORTING ACCIDENTS.....	25
SECURITY AND WORKPLACE VIOLENCE	27
DRUG AND ALCOHOL POLICY	26
SECTION - 7 STANDARDS OF CONDUCT.....	29
GENERAL RESPONSIBILITIES REQUIRED FOR ALL EMPLOYEES:	28
JOB RESPONSIBILITIES	28
TARDINESS AND ABSENTEEISM	28
UNAUTHORIZED ABSENCE.....	30
PROHIBITED CONDUCT	29
DISCIPLINARY ACTION.....	31
GRIEVANCE PROCEDURE.....	31
EMPLOYMENT OF RELATIVE	33
 VSPUD RECEIPT OF EMPLOYEE POLICY AND PROCEDURE MANUAL	 33

INTRODUCTORY STATEMENT

This Employee Policy and Procedure Manual sets forth the terms and conditions of employment of all employees. This manual is designed to familiarize you with our major policies. It contains the policies and practices in effect at the time of publication. Any previously issued policy, benefits statement or memorandum in conflict with the contents of this manual is superseded by this manual. The Manager will answer any questions you may have.

The District reserves the right to revise, modify, delete or add to any and all policies, procedures, work rules or benefits set forth in this manual. Any subsequent changes will be approved by the Board of Directors then signed by the District Manager before being given to employees. Changes to this manual will be distributed in writing to all employees so all employees will be aware of the new policies or procedures. No oral statements or representations can in any way alter the provisions of this manual.

DEFINITIONS

The following words and terms shall have the following meanings in this Employee Policy and Procedure Manual.

- a. **“Anniversary Date”** means the date an employee begins their current continuous service.
- b. **“Anniversary Year”** means the completion of one full year of continuous service from the anniversary date.
- c. **“Compensation”** means the salary, wage, allowance and all other forms of valuable consideration earned by or paid to any employee by reason of their service in a position.
- d. **“Continuous Service”** means employment with VSPUD without break or interruption. Resignation, dismissal, unauthorized leave of absence without pay, layoff due to lack of work or lack of funds, or abolishment of a position shall be construed as a break in service.
- e. **“Conviction”** The word “conviction” shall be construed to mean a conviction by verdict or by plea of guilty upon a judgment against the employee, upon a demurrer in the case mentioned in Section 1011 of the California Penal code, or upon a judgment of a court, a jury having been waived, without regard to subsequent disposition of the case by suspension of sentence, probation or otherwise.
- f. **“VSPUD”** means the Valley Springs Public Utility District.
- g. **“VSPUD Officer”** means those employees enumerated in Section 15501 *et seq* of the Public Utilities Code, State of California. **“VSPUD Service”** or **“Service Of The VSPUD”** means that all positions are subject to the control and regulation of the Board of Valley Springs Public Utility District, per Sections 15501 *et seq.* of the Public Utilities Code, State of California.
- i. **“District”** means the Valley Springs Public Utility District.
- j. **“Employee”** means a person legally occupying a position in the VSPUD service.
- k. **“Manual”** means this Employee Policy and Procedure Manual.
- l. **“Full-Time Employee”** is an employee in a position calling for 40 hours per week with no specified expiration date and who has completed their TRIAL period. (See Section 3, Employee Status for “TRIAL PERIOD”, and “Part-time” employees.)

- m. **“Immediate Family Member”** means the employee’s spouse, child, parent, grandchild, parent-in-law, grandparent, stepparent, or any other immediate family member as defined by State or Federal law.
- n. **“Position”** means a group of current duties and responsibilities assigned or delegated by a competent authority, requiring the full-or part-time service of one person. The Board of Directors shall adopt position descriptions for all positions designated. Such positions shall comply with all Federal and State regulations.
- o. **“Personnel Board”** shall consist of the Manager and the Board of Directors, who shall be responsible for the administration and enforcement of these policies.
- p. **“Salary Schedule”** means the schedule of employee wages and salaries.

SECTION 1 - DISTRICT PRACTICES

It is the intent of the Board of Directors of the Valley Springs Public Utility District to maintain an Employee Policy and Procedure Manual containing a listing of the Board’s current policies and practices affecting employees. This Employee Policy and Procedure Manual will serve as a resource for Directors, staff and members of the public in determining the manner in which matters of VSPUD business are to be conducted.

If any policy or portion of a policy contained within this Manual is in conflict with rules, regulations, or legislation having authority over Valley Springs Public Utility District, said rules, regulations, or legislation shall prevail.

Adoption of a new policy or amendment of an existing policy shall be accomplished at a regular meeting of the Board of Directors and shall require a majority affirmative vote of the Board of Directors.

EQUAL EMPLOYMENT OPPORTUNITIES

VSPUD is an equal opportunity employer and makes employment decisions on the basis of merit. Individuals whose background is commensurate with the job description for the vacancy will be considered for employment. We intend to have the best available person in every job. District policy prohibits unlawful discrimination based on race, color, creed, gender, religion, marital status, age, national origin or ancestry, physical or mental disability, and medical condition including genetic characteristics, sexual orientation, or any other consideration made unlawful by federal, state, or local laws. It also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics. All such discrimination is unlawful.

The District is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to all persons involved in District operations and prohibits unlawful discrimination by any employee of the District, including supervisors and coworkers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the District will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result.

Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact the District Manager and request such an accommodation. The individual with the disability should specify what accommodation he or she needs to perform the job. The District then will conduct an investigation to identify the barriers that interfere with the equal opportunity of the applicant or employee to perform his or her job. The District will identify possible accommodations, if any, which will help eliminate the limitation. If the accommodation is reasonable and will not impose an undue hardship, the District will make the accommodation.

If you believe you have been subjected to any form of unlawful discrimination, submit a written complaint to your supervisor or the District Manager. Your complaint should be specific and should include the names of the individuals involved and the names of any witnesses. If you need assistance with your complaint, or if you prefer to make a complaint in person, contact the District Manager. The District will immediately undertake an effective, thorough, and objective investigation and attempt to resolve the situation.

HARASSMENT POLICY

Purpose. It is legally mandated by State and Federal laws that employees have a right to work in an environment that is free from all forms of discrimination and harassment including sexual harassment. This District policy prohibits sexual harassment and harassment because of race, sex, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation or any other basis protected by federal, state, and local law ordinance or regulation. All such harassment is unlawful. The District's anti-harassment policy applies to all persons involved in the operation of the District and prohibits unlawful harassment by any employee of the District including supervisors and co-workers. Sexual harassment is a form of discrimination that is prohibited by Title VII of the Civil Rights Act of 1964 and California Government Code Section 12940. Sexual harassment is a costly form of discrimination that can result in expensive litigation that may result in back pay or punitive damage awards, withdrawal or Federal support fund, and/or other adverse actions. District employees have a grave responsibility for maintaining high standards of honesty, integrity, impartiality, and conduct to assure proper performance of the District's business and the maintenance of a high level of confidence to the people it serves. It is the policy of VSPUD that all harassment is unacceptable and will not be tolerated.

Definition. District policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other basis protected by federal, state, or local law ordinance or regulation. *All such harassment is unlawful.* The District's anti-harassment policy applies to all persons involved in the operation of VSPUD and prohibits unlawful harassment by any employee of the District including supervisors, coworkers and any other persons. It also prohibits unlawful harassment based on the

perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.

Prohibited unlawful harassment includes, but is not limited to, the following behavior:

- Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations, or comments.
- Visual displays such as derogatory and/or sexually oriented posters, photography, cartoons, drawings, or gestures.
- Physical conduct including assault, unwanted touching, intentionally blocking normal movement or interfering with work because of sex, race, or any other protected basis.
- Threats and demands to submit to sexual requests as a condition of continued employment or to avoid some other loss, and offers of employment benefits in return for sexual favors.
- Retaliation for reporting or threatening to report harassment.

Such conduct/communication may be written, verbal, physical and/or visual.

Policy Publicizing. All employees shall be informed of the District's harassment policy and complaint process. Said policy and complaint process shall also be readily available to all employees and members of the general public utilizing the District's facilities and services.

Complaint Process. Any employee who believes they are the victim of harassment may file a formal or informal confidential complaint without fear of reprisal or embarrassment. The District encourages all employees to report any incidents of harassment forbidden by this policy immediately so that complaints can be resolved quickly and fairly.

If you believe that you have been unlawfully harassed, submit a written complaint to the Manager or a member of the Board of Directors as soon as possible after the incident. You will be asked to provide details of the incident or incidents, names of individuals involved, and names of any witnesses. VSPUD will immediately undertake an effective, thorough, and objective investigation of the harassment allegations.

If VSPUD determines that unlawful harassment has occurred, effective remedial action will be taken in accordance with the circumstances involved. Any employee determined by the District to be responsible for unlawful harassment will be subject to appropriate disciplinary action, up to and including termination. A District representative will advise all parties concerned of the results of the investigation in writing. VSPUD will not retaliate against you for filing a complaint, and will not tolerate or permit retaliation by management, employees or co-workers.

VSPUD encourages all employees to report any incidents of harassment forbidden by this policy *immediately* so that complaints can be quickly and fairly resolved. You also should be aware that the Federal Equal Employment Opportunity Commission and the California Department of Fair Employment and Housing investigate and prosecute complaints of prohibited harassment in employment. If you think you have been harassed or that you have been retaliated against for resisting or complaining, you may file a complaint with the appropriate agency. The nearest office is listed in the telephone book.

AT-WILL EMPLOYMENT

At-will employment. An employee is free to terminate employment with the District at any time, with or without a reason. VSPUD has the right to terminate employee's services at any time, with or without reason. Although the District may choose to terminate employment for cause, cause is not required. This is called "at-will" employment.

SECTION 2 - PUBLIC COMPLAINTS

The Board of Directors desires that public complaints be resolved at the lowest possible administrative level, and that the method for resolution of complaints be logical and systematic.

A public complaint is an allegation by a member of the public of a violation or misinterpretation of a District policy, or state or federal statute, which has caused the individual to be adversely affected. Complaints filed by any citizen against any VSPUD employee or officer shall be verified under oath and shall be supported by affidavit of one or more witnesses.

The method of resolving complaints shall be as follows:

The individual with a complaint shall first discuss the matter with a District representative designated by the Manager with the objective of resolving the matter informally.

If the individual filing the complaint is not satisfied with the disposition of the complaint by the District representative, the complaint shall be discussed with the Manager. Within a reasonable time, the Manager or their designee shall meet with the person filing the complaint to resolve the matter. At the option of the Manager, they may conduct conferences and take testimony or written documentation in the resolution of the complaint. A written decision from the Manager may be requested by the individual filing the complaint.

If the individual filing the complaint is not satisfied with the disposition of the matter by the Manager, a written complaint may be filed with the Board of Directors within ten (10) days of receiving the Manager's decision. The Board may consider the matter at the next regular meeting, or call a special meeting. The Board will expeditiously resolve the matter. In making the final decision, the Board may conduct conferences, hear testimony, as well as utilize the transcripts of written documentation. A written decision from the Board may be requested by the individual filing the complaint.

This policy in no way prohibits or is intended to deter a member of the community or staff member from appearing before the Board to present orally a testimony, complaint, or statement in regard to actions of the Board, District programs and services, or impending considerations of the Board.

SECTION 3 - EMPLOYEE STATUS

FULL TIME

A “Full-Time” employee is one who has been hired to fill a position calling for 40 hours per week and who has completed their TRIAL period. Full-time employees are eligible for benefits outlined in this Employee Policy and Procedure Manual.

TRIAL PERIOD

A “TRIAL PERIOD” employee is one who has been hired to fill a full- or part-time position in any job classification and has less than one continuous year of service with the District. Upon completion of one year of continuous service with the District in said classification, and upon the Manager’s decision to retain said employee, said employee shall be granted Full-Time employee status, and will be eligible for retirement, sick leave and vacation benefits. During the trial period all new employees must demonstrate they are capable and qualified to carry out the tasks for which they have been hired. Trial Period employees who work full time are eligible for Public Employees Retirement System (PERS) retirement benefits. Trial period employees are eligible for sick leave and other benefits outlined in this policy manual upon completion of the trial period.

PART TIME

A “Part-time” employee is one who is hired to work within any job classification, but whose position does not entail at least 40 hours per week of work. Part-time employees are hired for specific tasks, to assist full-time employees, and to fill in for full-time employees as necessary. Part-time employees are eligible for PERS retirement benefits and sick leave, if they average more than 20 hours per week OR work 1000 hours or 125 eight (8) hour days in a year.

SECTION 4 - EMPLOYMENT POLICIES AND PROCEDURE

HOURS OF WORK

The workweek shall consist of seven (7) consecutive days from 12:01 o’clock AM Monday, through midnight Sunday. Normal working hours for Field Employees are 7:00 AM to 3:30 PM continuously Monday through Friday, with two 15-minute rest breaks and one 30-minute lunch break. All field employees shall report to the field office to start their workday. The Manager has the option to change the reporting place to a job site if required.

Lunch and rest breaks shall be scheduled to ensure that sufficient employees are available to sustain normal operations throughout normal working hours, however said breaks will always be modified to accommodate District emergencies. Unless otherwise specified by the Manager, or in

the event of a District emergency, the normal break periods are: morning break – 9:00 AM to 9:15; lunch break 12:00 noon to 12:30 PM; and afternoon break – 2:00 PM to 2:15 PM.

Normal working hours for Office Employees are **6:00 AM to 4:00 PM**, Monday, Wednesday, & Friday, with a half-hour lunch break. The office of the VSPUD shall be kept open continuously between the hours of **6:00 AM to 3:00 PM**, Monday, Wednesday, & Friday, for business transactions. Flexible hours may be evaluated on a case-by-case basis provided there are clear advantages to both the employee and the District, and that they result in no reduction in service. All work hour modifications require the approval of the Manager.

OVERTIME

Employees may be required to work overtime as necessary. Only actual hours worked in a given workday or workweek can apply in calculating overtime. VSPUD will attempt to distribute overtime evenly and accommodate individual schedules. All overtime work must be previously authorized by a supervisor except in the case of a District emergency. Emergency overtime shall be reported to the Manager at the next regular workday. VSPUD provides compensation for all overtime hours worked by non-exempt employees in accordance with state and federal law as follows:

All hours worked in excess of eight hours in one workday or 40 hours in one workweek will be treated as overtime. A workday begins at 12:01 AM and ends at midnight 24 hours later. Workweeks begin each Monday at 12:01 AM.

Compensation for hours in excess of 40 for the workweek, or in excess of eight and not more than 12 for the workday, and for the first eight hours on the seventh consecutive day of work in one workweek, shall be paid at a rate one and one-half times the employee's regular rate of pay.

Compensation for hours in excess of 12 in one workday and in excess of eight on the seventh consecutive workday in a workweek shall be paid at double the regular rate of pay.

Exempt employees may have to work hours beyond their normal schedules, as work demands require. No overtime compensation will be paid to exempt employees.

CALL STATUS

A schedule shall be defined whereby employees shall be assigned, in rotation, to be on-call on a weekly basis to perform emergency work during hours not part of their standard work week. When an employee is on-call they may be provided a **phone**, etc., which will permit contact in the event emergency work is needed. Said **phone**, etc., shall be kept in the on-call employee's possession during the entire on-call period of time. Any responsible managing employee may also give notification of emergency work need orally, in person or by telephone.

When an employee is on-call the employee may use their time as desired, but must remain within a (30) minute response time from a District facility and within cell phone reception.

Employees may trade on-call days with other eligible employees if the schedule has been previously authorized by and reported to the manager.

Employees shall be compensated an additional \$50 per day on Saturday and Sunday and \$20 per day Monday – Friday, beyond their normal hourly compensation, for being on-call.

TIME SHEET

After completion of the normal pay period, a time sheet acceptable to the District Manager must be turned into the office. Office staff will supply the time sheet. Completion of the time sheet is the responsibility of the employee and must be signed by the employee.

Employees also must record their time whenever they leave the job site for any reason other than District business. Any errors on your time sheet should be reported immediately to your supervisor.

PAY PERIOD

The salaries and wages of all District employees shall be paid on bi-weekly schedule.

In the event a payday falls on one of the holidays listed in Section 6, “Holidays,” the next working day shall become the payday or any other day decided by the Administrative Secretary. Paychecks can be picked up at the district office.

COMPENSATION

All employees shall be paid according to the Salary Schedule adopted by the Board of Directors. Unless otherwise specified herein, each employee is eligible for an annual salary increase with a satisfactory review, but is not guaranteed one. Salary increases and promotions are solely within the discretion of the VSPUD Manager and depend upon many factors in addition to performance.

Cost of living increase, when authorized by the Board of Directors, will adjust all of the employees’ wages by the amount of increase granted.

When overtime or on-call work is authorized by the Manager for field or office employees, compensation shall be as indicated in the policy stated in this Employee Policy and Procedure Manual.

CONTINUITY of SERVICE

For trial and full- and part-time employees in all classifications, length of continuous service with the District will be used as the basis for determining benefits such as sick leave and vacation time. Length of continuous service may also be one of the considerations in promotions, demotions and layoffs

Continuous service with the District will start with the date of employment and will continue until one of the following occurs:

- An employee is discharged for cause.
- An employee voluntarily terminates their employment.
- An employee is laid off.

Continuity of an employee's service only occurs if:

- They are on paid leave of absence. This includes workman's compensation, family medical leave, pregnancy disability leave, and/or any other applicable state and federal law.
- Absence for unpaid sick leave as authorized by Manager.
- Authorized leave without pay due to illness or pregnancy leave.
- Absences governed by applicable state and/or federal laws for military or National Guard service, firefighters, or other security personnel.

Previous full-time employees who were laid off and called back for work that is not full-time in nature will have their employment service records maintained so that they accumulate service time as they work on an "hour-for-hour" basis.

Part-time and temporary employees who are hired for a position having full-time status will have previously earned length-of-service maintained in their employment service records.

Previous temporary employees who are rehired within eighteen (18) months of their last date of employment shall have their employment service records restored to include previously earned length-of-service credits.

PERFORMANCE EVALUATION

Formal performance evaluations of each employee who has completed the trial period will be conducted at least once a year. Trial employees shall be formally evaluated by the Manager on a quarterly basis and informally at least once a month. The frequency of additional performance evaluations may vary depending upon length-of-service, job position, past performance, changes in job duties, or recurring performance problems.

Formal performance evaluations shall be in writing. Evaluations shall indicate effective performance and also identify areas that need improvement. Performance evaluations may review factors such as the quality and quantity of the work you perform, your knowledge of the job, your initiative, your work attitude, and your attitude toward others. The performance evaluations are intended to make you aware of your progress, areas for improvement, and objectives or goals for future work performance.

Favorable performance evaluations do not guarantee increases in salary or promotions. Salary increases and promotions are solely within the discretion of the VSPUD Manager and depend upon many factors in addition to performance. Formal evaluations shall be recorded in the employee's file. All performance evaluations shall be signed by the Manager and discussed with the employee. The employee shall sign the evaluation to indicate that it has been discussed with them and that

they have received a copy. The employee's signature does not imply concurrence with the evaluation.

REDUCTIONS IN FORCE

Under some circumstances, VSPUD may need to restructure or reduce its workforce. If restructuring our operations or reducing the number of employees becomes necessary, the District will attempt to provide advance notice where possible, to help prepare affected individuals. If possible, employees subject to layoff will be informed of the nature of the layoff and the foreseeable duration of the layoff, whether short-term or indefinite.

In determining which employees will be subject to layoff, VSPUD will take into account, among other things, the operation and its requirements, the skill, productivity, ability, and past performance of those involved, and also when feasible, the employee's length-of-service.

PERSONNEL FILES

You have a right to inspect certain documents in your personnel file, as provided by law, in the presence of a District representative at a mutually convenient time. No copies of documents in your file may be made, with the exception of documents that you have previously signed. You may add your comments to any disputed item in the file.

VSPUD will restrict disclosure of your personnel file to authorized individuals within the District. Any request for information contained in personnel files must be directed to the District Manager. Only the District Manager is authorized to release information about current or former employees. Disclosure of personnel information to outside sources will be limited. However, VSPUD will cooperate with requests from authorized law enforcement or local, state, or federal agencies conducting official investigations and as otherwise legally required.

TRAVEL COST REIMBURSEMENT

All Conference/Seminars, which require travel out of the local area, need to be approved by the Board of Directors in advance. The District will pay the current IRS reimbursement rate for mileage, food, lodging, fees and parking.

Employee Maximum Allowable Paid Expenses:

- Out of town meal expense allowances: Breakfast: \$10.00, Lunch \$10.00 and Dinner \$20.00, or a total daily meal expense of \$ 40.00.
- VSPUD personal vehicle mileage expense is the current IRS rate.
- VSPUD will provide overnight accommodations when necessary.
- VSPUD will require receipts for all expenses to be reimbursed without exception.

REGISTRATION FEES

The District shall reimburse any certification or registration fees required by the District for an employee who is attending District related affairs, only when authorized by the Manager or the Board of Directors. Such expenses will be reimbursed for certificates and registration fees required for the employee to perform District business.

MAKE-UP TIME

VSPUD allows the use of make-up time when non-exempt employees need time off to tend to personal obligations. Make-up time worked will not be paid at an overtime rate. Employees may take time off and then make up the time later in the same workweek, or may work extra hours earlier in the workweek to make up for time that will be taken off later in the workweek.

Make-up time requests must be submitted in writing to your supervisor, with your signature, on the District-provided form. Requests will be considered for approval based on the legitimate business needs of the District at the time the request is submitted. A separate written request is required for each occasion the employee requests make-up time.

If you request time off that you will make up later in the week, you must submit your request at least 24 hours in advance of the desired time off. If you request to work make-up time first, in order to take time off later in the week, you must submit your request at least 24 hours before working the make-up time. Your make-up time request must be approved in writing before you take the requested time off or work make-up time, whichever is first.

All make-up time must be worked in the same workweek as the time taken off. The District's seven-day workweek is 12:01 o'clock AM Monday, through midnight Sunday. Employees may not work more than 11 hours in a day or 40 hours in a workweek as a result of making up time that was or would be lost due to a personal obligation.

If you take time off and are unable to work the scheduled make-up time for any reason, the hours missed will normally be unpaid. However your supervisor may arrange with you another day to make up the time if possible based on scheduling needs. If you work make-up time in advance of time you plan to take off, you must take that time off, even if you no longer need the time off for any reason.

An employee's use of make-up time is completely voluntary. VSPUD does not encourage, discourage, or solicit the use of make-up time.

OPEN DOOR POLICY

Suggestions for improving VSPUD are always welcome. At some time you may have a complaint, suggestion, or question about your job, your working conditions, or the treatment you are receiving. Your good-faith complaints, questions, and suggestions also are of concern to the District. We ask you to first discuss your concerns with your supervisor following these steps:

- Within a week of the occurrence bring the situation to the attention of your immediate supervisor, who will then investigate and provide a solution or explanation.
- If the problem persists, you may describe it in writing and present it to the District Manager, who will investigate and provide a solution or explanation. We encourage you to bring the matter to the District Manger as soon as possible after you believe that your immediate supervisor has failed to resolve it.
- If the problem is not resolved, you may present the problem in writing to the President of VSPUD Board of Directors utilizing the Grievance Procedure as outlined in this Employee Policy and Procedure Manual. If you need assistance with the written complaint, contact the District Manager for help.

This procedure, which we believe is important for both you and the District, cannot guarantee that every problem will be resolved to your satisfaction. However, VSPUD values your observations and you should feel free to raise issues of concern, in good faith, without the fear of retaliation.

RESIGNATION

Should an employee desire to resign from the District, it is always appreciated, but not required, that an employee provide a two-week written notice prior to the effective date of the resignation. In the event the District declares the resignation effective immediately, or at some time within the two-week period, the employee will receive pay through the entire two-week period regardless of the last day worked, and receive any accrued vacation benefits due. Accrued sick leave does not qualify for compensation upon resignation or termination, except as provided by the PERS benefit. This policy in no way alters the at-will policy, An employee is free to terminate employment with the District at any time, with or without a reason, and the District has the right to terminate employee’s services at any time, with or without reason.

SECTION 5 – BENEFITS

VACATION

Full-time employees who have completed one full year of continuous service shall be entitled to the following vacation leave. Temporary part- and full-time employees and part-time employees are not eligible for vacation pay.

Credit commences with the first day of the trail period:

<u>YEARS OF SERVICE</u>	<u>ANNUAL VACATION LEAVE</u>
1 year but less than 4 yrs, 11 mos.	10 working days
5 years but less than 9 yrs, 11 mos.	15 working days
10 years or more	20 working days

For the first five years of continuous employment, full-time employees will accrue vacation time at the rate of .0385 hours per hour worked. An employee who is scheduled to and does work 40 hours per week will normally accrue 10 working days or 80 hours vacation per year of employment.

Beginning with the fifth year of continuous employment, full-time employees begin to accrue vacation time at the rate of .0575 hours per hour worked. An employee who is scheduled to and does work an average of 40 hours per week will normally accrue 15 working days or 120 hours of vacation beginning in the fifth year of employment.

Beginning with the tenth year of continuous employment, full-time employees begin to accrue vacation time at the rate of .077 hours per hour worked. An employee who is scheduled to and does work an average of 40 hours per week will normally accrue 20 working days or 160 hours of vacation beginning in the tenth year of employment.

VSPUD encourages employees to take vacation annually. Vacation time must be taken within the year following accrual. Earned vacation time accrues to a maximum of 20 working days in the second through fourth years of employment; 30 working days in the fifth through 9th years of employment; and 40 working days in the 10th and following years of employment. No additional vacation will be earned until accrued vacation time is used.

In the event a holiday falls during an employee's vacation the employee shall receive an additional day off at the employee's regular rate of pay.

Vacation can accrue up to a maximum of twice the annual accrual rate. Once this cap is reached, the employee will have nine months to take accrued vacation. If no vacation is taken during that nine month time period, no further vacation will accrue until some vacation is used.

At termination of employment for any reason, the District shall compensate the employee for all vacation time earned but not yet taken or forfeited.

Pay Out Restrictions: Vacation is provided to employees as a period of exemption from work with pay for the purpose of rest, relaxation and recreation. This respite is a benefit and is intended as an aid for maintaining the long-term and consistent productivity and contentment of the employee. As such, pay *in lieu* of vacation time away from work shall be restricted: at no time shall an employee be allowed to receive pay in lieu of vacation to drop his/her banks below five (5) days; to qualify for pay in lieu of vacation an employee must schedule a minimum of five (5) days off each calendar year and have approval of the Manager.

Required Use of Vacation Before Unpaid Sick Leave

You are required to take accrued and unused vacation before taking unpaid leave, or having unpaid absences. Family and Medical Leave (under both state and federal law) are included in this requirement.

If you are absent for a reason that qualifies you for Paid Family Leave (PFL) payments, you are required to first use any accrued and unused vacation, up to a maximum of two weeks in a 12-month period.

HOLIDAYS

The following days shall be recognized and observed as paid holidays:

- (1) New Year's Day
- (2) Martin Luther King
- (3) President's Day
- (4) Memorial Day
- (5) Independence Day
- (6) Labor Day
- (7) Veteran's Day
- (8) Thanksgiving
- (9) Day after Thanksgiving
- (10) Christmas Eve
- (11) Christmas Day
- (12) Personal Day

Each employee of the District who does not work on a holiday (see Holiday Schedule) and whose name appeared on the payroll continuously for at least thirty (30) days prior thereto, shall receive their regular daily rate of compensation provided they have worked (unless excused by the Manager) the last scheduled working day before and the next scheduled working day after each holiday.

Employees called back to work in emergency situations on Saturdays, Sundays, holidays and after hours shall be paid time and one-half for each hour worked, after eight (8) hours, per each employee's hourly wage.

Whenever a holiday falls on a Saturday the preceding Friday shall be observed as the holiday. Whenever a holiday falls on a Sunday the following Monday shall be observed as the holiday.

SICK LEAVE

VSPUD offers paid sick leave to all PERS eligible employees and full-time employees who have completed their trial period. Employees accrue paid sick leave at the rate of 50% of their daily number of work hours, per pay period. Thus, sick leave accrual is approximately one day per month for employees who work a normal 40 hour work week and ½ day per month for PERS eligible employees who work 21 hours per week.

Sick leave is a form of insurance that employees accumulate in order to provide a cushion for incapacitation due to illness. It is intended to be used only when actually required to recover from illness or injury; sick leave is not for “personal” absences. You may also use sick leave to extend your bereavement leave, please reference the bereavement leave policy. Time off for medical and dental appointments will be treated as sick leave. VSPUD will not tolerate abuse or misuse of your sick leave privilege. Sick leave can be taken in a minimum of two-hour increments.

Accrued sick leave does carry over from year to year. The District does not pay employees *in lieu* of unused sick leave. PERS eligible employees may convert unused accumulated sick leave at the time of retirement for service credit.

In order to receive compensation while on sick leave, the employee shall notify the Manager or the VSPUD main office immediately, or as soon as practical in the case of a medical emergency, for the need to be absent due to medical reasons. Employee shall maintain appropriate communication with the office during the period of leave. Under all circumstances, the employee is responsible for notifying the office daily of the continued need for sick leave.

If you are absent longer than three days due to illness, medical evidence of your illness and/or medical certification of your fitness to return to work satisfactory to the District will be required before the District honors any sick pay requests, or you are allowed to return to work. VSPUD may withhold sick pay if it suspects that sick leave has been misused.

KIN CARE

Employees may use up to one-half of their yearly sick leave accrual to attend to a child, parent, spouse, domestic partner, or domestic partner’s child who is ill. Leave for this purpose may not be taken until it has actually accrued. Kin care leave runs concurrently with Family Medical Leave.

For purposes of kin care use:

- A “child” is defined as a biological, foster, or adopted child; stepchild; or a legal ward. A “child” also may be someone for whom you have accepted the duties and responsibilities of raising, even if he or she is not your legal child.
- A “parent” is your biological, foster, or adoptive parent; stepparent; or legal guardian.
- A “spouse” is your legal spouse according to the laws of California, which does not recognize “common law” spouses (a union that has not been certified by a civil or religious ceremony). All conditions and restrictions placed on an employee’s use of sick leave apply also to sick leave used for care of a child, parent, or spouse.
- A “domestic partner” is another adult with whom you have chosen to share your life in an intimate and committed relationship of mutual caring, and with whom you have filed a Declaration of Domestic Partnership with the Secretary of State.
- A “domestic partner’s child” is the biological, foster or adopted child, stepchild, or legal ward of your domestic partner. A “domestic partner’s child” also may be someone for whom your domestic partner has accepted the duties and responsibilities of raising, even if the child is not your domestic partner’s legal child.

Required Use of Paid Sick Leave Before Unpaid Leave

You are required to take accrued and unused paid sick leave before taking unpaid leave, or having unpaid absences. Family and Medical Leave (under both state and federal law) are included in this requirement.

Paid Sick Leave and Workers' Compensation Benefits

Paid sick leave is a benefit that also covers absences for work-related illness or injury. Employees who have a work-related illness or injury are covered by workers' compensation insurance. However, workers' compensation benefits usually do not cover absences for medical treatment if you continue to work. When you report a work-related illness or injury, you will be sent for medical treatment, if treatment is necessary. You will be paid your regular wages for the time you spend seeking initial medical treatment.

Any further medical treatment will be under the direction of the health care provider. Any absences from work for follow-up treatment, physical therapy or other prescribed appointments will not be paid as time worked. If you have accrued unused sick leave, the additional absences from work will be paid with the use of sick leave.

Please reference the worker's compensation policy regarding your benefits in the event you are unable to return to work due to your work-related medical condition.

FAMILY MEDICAL LEAVE ACT

State and federal family and medical leave laws provide up to 12 workweeks of unpaid family/medical leave within a 12-month period, under the following conditions:

- The employee has more than 12 months of service; and
- The employee has worked at least 1,250 hours during the previous 12-month period before the need for leave.

Leave may be taken for one or more of the following reasons:

- The birth of the employee's child, or placement of a child with the employee for adoption or foster care;
- To care for the employee's spouse, child, or parent who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform his or her job.

For purposes of calculating the 12-month period during which 12 weeks of leave may be taken, VSPUD uses the first day of your leave to begin your 12-month period.

Under most circumstances, leave under federal and state law will run at the same time and the eligible employee will be entitled to a total of 12 weeks of family and medical leave in the designated 12-month period.

Leave because of the employee's disability for pregnancy, childbirth or related medical condition is not counted as time used under California law (the California Family Rights Act). Time off because of pregnancy disability, childbirth or related medical condition does count as family and medical leave under federal law (the Family and Medical Leave Act). Employees who take time off for pregnancy disability will be placed on family and medical leave. Once the pregnant employee is no longer disabled, she may apply for leave under the California Family Rights Act, for purposes of baby bonding.

Any leave taken for the birth, adoption, or foster care placement of a child does not have to be taken in one continuous period of time. California Family Rights Act leave taken for the birth or placement of a child will be granted in minimum amounts of two weeks. However, VSPUD will grant a request for a California Family Rights Act leave (for birth/placement of a child) of less than two weeks' duration on any two occasions. Any leave taken must be concluded within one year of the birth or placement of the child with the employee.

The following procedures shall apply when an employee requests family leave:

Please contact the District Manager as soon as you realize the need for family/medical leave. If the leave is based on the expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or a family member, the employee must notify the District at least 30 days before leave is to begin. The employee must consult with the District Manager regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to VSPUD operations. Any such scheduling is subject to the approval of the health care provider of the employee or the health care provider of the employee's child, parent, or spouse. If the employee cannot provide 30 days' notice, the District must be informed as soon as is practical.

If the Family and Medical Leave Act/California Family Rights Act request is made because of the employee's own serious health condition, VSPUD may require, at its expense, a second opinion from a health care provider that the District chooses. The health care provider designated to give a second opinion will not be one who is employed on a regular basis by the District.

If the second opinion differs from the first opinion, VSPUD may require, at its expense, the employee to obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee. The opinion of the third health care provider shall be considered final and binding on VSPUD and the employee.

VSPUD requires the employee to provide certification within 15 days of any request for family and medical leave under state and federal law, unless it is not practicable to do so. VSPUD may require re-certification from the health care provider if additional leave is required.

If the leave is needed to care for a sick child, spouse, or parent, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;

- Probable duration of the condition;
- Estimated amount of time for care by the health care provider; and
- Confirmation that the serious health condition warrants the participation of the employee.

If an employee cites their own serious health condition as a reason for leave, the employee must provide a certification from the health care provider stating:

- Date of commencement of the serious health condition;
- Probable duration of the condition; and
- Inability of the employee to work at all or perform any one or more of the essential functions of their position because of the serious health condition.

VSPUD will require certification by the employee's health care provider that the employee is fit to return to his or her job. Failure to provide certification by the health care provider of the employee's fitness to return to work will result in denial of reinstatement for the employee until the certificate is obtained.

An employee taking family medical leave will be allowed to continue participating in any health and welfare benefit plans in which they were enrolled before the first day of the leave (for a maximum of 12 workweeks) at the level and under the conditions of coverage as if the employee had continued in employment for the duration of such leave. VSPUD will continue to make the same premium contribution as if the employee had continued working. The continued participation in health benefits begins on the date leave first begins under Family and Medical Leave Act or under the Family and Medical Leave Act/California Family Rights Act (*e.g.*, for all other family care and medical leaves). In some instances, the District may recover from an employee premiums paid to maintain health coverage if the employee fails to return to work following family/medical leave.

Paid leave *will be* substituted for unpaid leave in the following circumstances:

- Accrued sick leave is required to be used during Family and Medical Leave Act/California Family Rights Act leave for the employee's own serious health condition, or, up to a limit of that which is accrued over six months, to attend to the illness of a child, parent, or spouse of the employee; or
- Vacation is required to be used for any family/medical leave qualifying event.

Paid leave *may be* substituted for unpaid leave in the following:

- Accrued sick leave may be used for the care of a family member if mutually agreed upon by the Company and the employee.
- Accrued sick leave may be used for the birth or placement for adoption or foster care of a child if mutually agreed upon by the Company and the employee.

Under most circumstances, upon return from family/medical leave, an employee will be reinstated to their original job or to an equivalent job with equivalent pay, benefits, and other employment

terms and conditions. However, an employee has no greater right to reinstatement than if they had been continuously employed rather than on leave. For example, if an employee on family/medical leave would have been laid off had they not gone on leave, or if the employee's job is eliminated during the leave and no equivalent or comparable job is available, then the employee would not be entitled to reinstatement. In addition, an employee's use of family/medical leave will not result in the loss of any employment benefit that the employee earned before using family/medical leave.

Time Accrual

Employees on Family and Medical Leave Act/California Family Rights Act leave will continue to accrue vacation and sick leave during unpaid Family and Medical Leave Act/California Family Rights Act leave.

Carryover

Leave granted under any of the reasons provided by state and federal law will be counted as family/medical leave and will be considered as part of the 12-workweek entitlement in a 12-month period. The 12-month period is measured forward from the date any employee's first Family and Medical Leave Act leave begins. Successive 12-month periods commence on the date of an employee's first use of such leave after the preceding 12-month period has ended. No carryover of unused leave from one 12-month period to the next 12-month period is permitted.

Intermittent Leave

Employees may take Family and Medical Leave Act/California Family Rights Act leave intermittently (in blocks of time, or by reducing their normal weekly or daily work schedule) if the leave is for the serious health condition of the employee's child, parent, or spouse, or of the employee, and the reduced leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition. The smallest increment of time that can be used for such leave is two hours.

WORKER'S COMPENSATION

If an employee has an injury or illness which entitles them to compensation payments from VSPUD under the provisions of Worker's Compensation Act, and if the employee as a result of this injury or illness is unable to perform the duties of their employment, they could augment their payment with any accrued sick leave benefits, not to exceed the regular rate of pay.

BEREAVEMENT LEAVE

In the event of a death in an employee's immediate family, an employee may be granted bereavement leave to attend the funeral. Said bereavement leave is defined as a maximum of three (3) consecutive calendar days commencing with the date of the death or the day following death. If additional bereavement time is needed the employee may elect to use up to two additional days accumulated sick or vacation leave for bereavement purposes. In the event the employee has no accumulated sick or vacation leave, the District Manager may approve two additional days of unpaid bereavement leave. The District Manager must approve all requests for bereavement leave. The employee shall be paid the regular rate of pay for any scheduled work time lost during the

initial three days of bereavement leave. The employee will, at the time they apply for bereavement leave, indicate the day on which it is to begin.

RETIREMENT

Eligible VSPUD employees must join the Public Employees Retirement System (PERS) immediately upon employment by VSPUD. Contributions to the Retirement System are made by the employer in accordance with the contract between the Board of Administration of the Public Employee Retirement System and the Board of Directors of the VSPUD. Employees compensated by VSPUD on a temporary hire basis are excluded from membership in said retirement system unless they meet the PERS eligibility requirements.

All employees participating in said retirement system are entitled to retirement, death and disability benefits in accordance with the above mentioned contract and the Public Employees Retirement Law (publication dated January 1, 1975) and revisions thereto.

Employees eligible for membership include the following:

- Full-time employees
- Trial Period employees who work full time or average more than 20 hours per week or work 1000 hours or 125 eight (8) hour days in a year.
- Part-time employees are eligible for PERS benefits if they average more than 20 hours per week, or work 1000 hours or 125 eight (8) hour days in a year.

MEDICAL/ DENTAL/ VISION

Full-time employees are eligible for PPO Blue Shield Medical Benefits thru SDRMA. The District will pay 75% of the monthly cost towards medical. Any additional charges are to be incurred by the employee. **The District will pay 100% of the employee's dental and vision insurance. Any dependent's costs must be incurred by the employee.**

JURY/WITNESS DUTY

An employee summoned for jury duty or subpoenaed as a witness will promptly notify the VSPUD main office of each scheduled work day that they will not be reporting to work while serving as juror or witness. All non-temporary full-time employees will be given a paid leave of absence for up to two weeks of jury duty. Said paid leave of absence is conditional upon the employee returning to work upon dismissal each day to complete their remaining normal workday. It is also conditional upon the employee's conveyance to the District of any compensation received as a juror or witness, not including any travel or meal allowance received.

VICTIMS OF VIOLENT CRIME LEAVE

An employee who are themselves a victim or who are family members of a victim of a violent felony or serious felony may take time off from work under the following circumstances:

- The crime must be a violent or serious felony, as defined by law; and
- You must be the victim of a crime, or you must be an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim.

An immediate family member is defined as: a spouse, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather. A registered domestic partner means a domestic partner who is registered in accordance with California state law. The absence from work must be in order to attend judicial proceedings related to a crime listed above.

Before you are absent for such a reason, you must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court or government agency setting the hearing, a district attorney or prosecuting attorney's office or a victim/witness office.

If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence. Any absence from work to attend judicial proceedings will be unpaid, unless you choose to take accrued vacation or sick leave.

VOLUNTEER FIREFIGHTERS AND PEACE OFFICERS

No employee shall be disciplined for taking time off to perform emergency duty as a volunteer firefighter, peace officer, or emergency rescue personnel. You are also eligible for unpaid leave for required training. If you are an official volunteer firefighter, please alert the District Manager that you may have to take time off for emergency duty. When taking time off for emergency duty, please alert the District Manager before doing so when possible.

SECTION 6 - OPERATIONAL PROVISIONS:

EMPLOYEES WHO ARE REQUIRED TO DRIVE

Use of District vehicles shall be limited to the business of the District and shall not be used by an employee for personal use during working hours. Unauthorized persons shall not ride in District vehicles. All occupants of District vehicles shall wear seat belts. Employees who are required to drive a District vehicle or their own vehicles on District business will be required to show proof of current valid driving licenses and current effective insurance coverage before the first day of employment.

Employees who periodically utilize their own vehicle for performing District business or to participate in a District approved activity, are required to provide proof of adequate insurance covering collision, personal injury and property damage, prior to utilizing their own vehicle to perform the scheduled activity.

VSPUD retains the right to transfer to an alternative position, suspend, or terminate an employee whose license is revoked, or who fails to maintain personal automobile insurance coverage or who is uninsurable under the District's policy.

Employees who drive their own vehicles on District business will be reimbursed at the current authorized IRS mileage rate.

USE OF CELL PHONE WHILE DRIVING

In the interest of the safety of our employees and other drivers, VSPUD employees are prohibited from using cell phones while driving on District business and/or District time.

If your job requires that you keep your cell phone turned on while you are driving, you must safely pull off the road before conducting District business. Under no circumstances should employees place phone calls while operating a motor vehicle, or while driving on District business and/or District time.

EMPLOYER PROPERTY

Copiers, telephone, computers, vehicles, tools and equipment, and other District-owned items are VSPUD property and must be maintained according to District rules and regulations. They must be kept clean and are to be used only for work-related purposes. VSPUD reserves the right to inspect all District property to ensure compliance with its rules and regulations, without notice to the employee and at any time, not necessarily in the employee's presence.

The use of the telephone shall be limited to District business. Private calls made by an employee may be made during employee's lunch break or coffee break. Any toll calls must be made on the employee's personal credit card, or charged to the employee's home phone. Any incoming personal call must be kept to a minimum.

District voice mail and/or electronic mail (e-mail) are to be used for business purposes only. VSPUD reserves the right to monitor voice mail messages and e-mail messages to ensure compliance with this rule, without notice to the employee, and at any time, not necessarily in the employee's presence.

For security reasons, employees should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice, with or without the employee's prior consent. Terminated employees should remove any personal items at the time they leave VSPUD. Personal items left in the workplace are subject to disposal if not claimed at the time of an employee's termination.

REPORTING ACCIDENTS

All employees are responsible for their own safety, as well as that of others in the workplace. To help us maintain a safe workplace, everyone must be safety-conscious at all times. Report all work-related injuries or illnesses immediately to the District Manager. A written report must be

submitted within 24 hours and filed with the worker's compensation insurance District. The report should outline all important circumstances relating to the incident and should state specifically the place, time, and exact nature of the incident.

In compliance with California law, and to promote the concept of a safe workplace, VSPUD maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees and/or employee representatives in the district manager's office.

In compliance with Proposition 65, VSPUD will inform employees of any known exposure to a chemical known to cause cancer or reproductive toxicity.

SECURITY AND WORKPLACE VIOLENCE

VSPUD has developed guidelines to help maintain a secure workplace.

- Be aware of persons loitering for no apparent reason in parking areas, walkways, entrances and exits, and work site areas.
- Report any suspicious persons or activities to the police if appropriate.
- Secure District vehicles, tools, and equipment at the end of the day.
- When called away from your work area for an extended length of time, do not leave valuable and/or personal articles in an area that may be accessible.

The security of facilities as well as the welfare of our employees depends upon the alertness and sensitivity of every individual to potential security risks. You should immediately notify the District Manager when unknown persons are acting in a suspicious manner in or around the facilities or work sites or when keys are missing.

DRUG AND ALCOHOL POLICY

VSPUD is concerned about the use of alcohol, illegal drugs, or controlled substances as it affects the workplace. Use of these substances, whether on or off the job can detract from an employee's work performance, efficiency, safety, and health, and therefore seriously impair the employee's value to the District. In addition, the use or possession of these substances on the job constitutes a potential danger to the welfare and safety of other employees and exposes the District to the risks of property loss or damage, or injury to other persons.

Furthermore, the use of prescription drugs and/or over-the-counter drugs also may affect an employee's job performance and may seriously impair the employee's value to the District.

The following rules and standards of conduct apply to all employees either on District property or during the workday (including meals and rest periods). Behavior that violates District policy includes:

- Possession or use of an illegal or controlled substance, or being under the influence of an illegal or controlled substance while on the job;

- Driving a District vehicle while under the influence of drugs or alcohol; and
- Distribution, sale, or purchase of an illegal or controlled substance while on the job.

Violation of these rules and standards of conduct will not be tolerated. VSPUD also may bring the matter to the attention of appropriate law enforcement authorities. In order to enforce this policy, VSPUD reserves the right to conduct searches of District property or employees and/or their personal property, and to implement other measures necessary to deter and detect abuse of this policy.

An employee's conviction on a charge of illegal sale or possession of any controlled substance while off District property will not be tolerated because such conduct, even though off duty, reflects adversely on VSPUD. In addition, the District must keep people who sell or possess controlled substances off District premises in order to keep the controlled substances themselves off the premises.

Any employee who is using prescription or over-the-counter drugs that may impair the employee's ability to safely perform the job, or affect the safety or well being of others, must notify a supervisor or District Manager of such use immediately before starting or resuming work.

VSPUD will encourage and reasonably accommodate employees with alcohol or drug dependencies who wish to seek treatment and/or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. The District is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use, nor is the District obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired as a result of dependency. Additionally, employees who are given the opportunity to seek treatment and/or rehabilitation, but fail to successfully overcome their dependency or problem, will not automatically be given a second opportunity to seek treatment and/or rehabilitation. This policy on treatment and rehabilitation is not intended to affect the District's treatment of employees who violate the regulations described previously. Rehabilitation is an option for an employee who acknowledges a chemical dependency and voluntarily seeks treatment to end that dependency.

SECTION - 7 STANDARDS OF CONDUCT

GENERAL RESPONSIBILITIES REQUIRED FOR ALL EMPLOYEES:

All District employees must create and maintain a favorable public image. The ability to communicate and evaluate information received is of paramount importance in maintaining good public relations. Each District employee is required to respond to the general public in a courteous and congenial manner. Employees may be approached for interviews or comments by the news media. Only contact people designated by the District Manager may comment to news reporters on VSPUD policy or events relevant to VSPUD

Each employee must work well with other district employees in addition to maintaining safety practices and regulations. Each District employee is required to utilize personal initiative with or without direct supervision to maintain safe, efficient procedures and operations.

JOB RESPONSIBILITIES

VSPUD reserves the right, at any time, with or without notice, to alter or change job responsibilities, reassign, transfer, combine job positions, or assign additional job responsibilities. Each employee must operate within the rules and regulations as set forth in the current VSPUD Ordinance, the Employee Policy and Procedure Manual, Injury and Safety Program and Harassment Policies.

TARDINESS AND ABSENTEEISM

As an employee of VSPUD, you are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for your fellow employees and your supervisor. When you are absent, your assigned work must be performed by others.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized District business. Late arrival, early departure, or other unanticipated and unapproved absences from scheduled hours are disruptive and must be avoided.

If you are unable to report for work on any particular day, you must under all but the most extenuating circumstances notify the Manager immediately, at least 1/2 hour before the time you are scheduled to begin working for that day. If you call less than 1/2 hour before your scheduled time to begin work and do not arrive in time for your assigned shift, you will be considered tardy for that day. In all cases of absence or tardiness, employees must provide the Manager with an honest reason or explanation. Employees also must inform the Manager of the expected duration of any absence. Excessive absenteeism or tardiness, whether excused or not, will not be tolerated. VSPUD defines excessive absenteeism as more than 3 days absence in a 3-month period.

If you fail to report for work without any notification to your supervisor and your absence continues for a period of three days, VSPUD will consider that you have abandoned your employment.

UNAUTHORIZED ABSENCE

Unauthorized absence from work for three (3) consecutive working days shall be considered a voluntary resignation of employment.

After three (3) consecutive working days of unauthorized absence from work, the employee shall be notified in writing that the absence will be considered a voluntary resignation of employment. This notification shall be personally served on the employee or sent by registered mail to their mailing address on file with the District. This notice shall provide factual evidence for the conclusion that the employee's absence is unauthorized and request the employee to utilize the grievance procedure outlined in this Employee Policy and Procedure Manual to present their version of the facts pertinent to the unauthorized absence in a formal hearing before the Board of Directors if desired.

The manager may, prior to the formal hearing, reinstate the employee who has been absent without authorization for three (3) consecutive days if the employee provides a satisfactory explanation. If the employee is reinstated after providing a satisfactory explanation, back pay for the period of absence will be disallowed, including the employee's use of vacation or sick leave to cover the period of absence, unless otherwise protected by State or Federal Law.

If the employee neither utilizes the grievance procedure to present their version of the facts pertinent to the unauthorized absence, within the time frame outlined in the grievance procedure, nor provides a satisfactory explanation to the District Manager within the designated time frame, the employee's voluntary resignation of employment shall be considered to be effective at the end of the third consecutive day of their unauthorized absence.

PROHIBITED CONDUCT

The following conduct is prohibited and will not be tolerated by VSPUD. This list of prohibited conduct is illustrative only; other types of conduct that threaten security, personal safety, employee welfare and District operations also may be prohibited. The Manager and/or the Board shall deem any of the following sufficient cause for the suspension, reprimand or immediate termination of an employee of VSPUD. The District's policy of progressive discipline in no way limits or alters the at-will employment relationship.

- Falsifying employment records, employment information, or other District records;
- Recording the work time of another employee or allowing any other employee to record your work time, or falsifying any time card, either your own or another employee's;
- Theft and deliberate or careless damage or destruction of any District property, or the property of any employee or customer;

- Removing or borrowing District property without prior authorization;
- Unauthorized use of District equipment, time, materials, or facilities;
- Negligence or willful misconduct that causes damage to public property or waste of public supplies.
- Provoking a fight or fighting during working hours or on District property;
- Discourteous treatment of the public or other employees;
- Participating in horseplay or practical jokes on District time or on District premises;
- Carrying firearms or any other dangerous weapons on District premises at any time;
- Engaging in criminal conduct whether or not related to job performance;
- Causing, creating, or participating in a disruption of any kind during working hours on District property;
- Insubordination, including but not limited to failure or refusal to obey the orders or instructions of a supervisor or member of management, or the use of abusive or threatening language toward a supervisor or member of management;
- Using abusive language at any time on District premises;
- Failing to notify a supervisor when unable to report to work;
- Unreported absence of three consecutive scheduled workdays;
- Failure to report to work after an authorized leave of absence has expired, or after such leave has been revoked and canceled by the Board:
- Failing to obtain permission to leave work for any reason during normal working hours;
- Failing to observe working schedules, including rest and lunch periods;
- Incompetence or inefficiency as shown on Employee's Performance Evaluations;
- Failing to provide a physician's certificate when requested or required to do so;
- Sleeping or malingering on the job;
- Making or accepting personal telephone calls of more than three minutes in duration during working hours, except in cases of emergency;
- Working overtime without authorization or refusing to work assigned overtime;
- Violating any safety, health, security or District policy, rule, or procedure;
- Committing a fraudulent act or a breach of trust under any circumstances; and
- Committing of or involvement in any act of unlawful harassment of another individual.

This statement of prohibited conduct does not alter the District's policy of at-will employment. Either you or VSPUD remain free to terminate the employment relationship at any time, with or without reason or advance notice.

DISCIPLINARY ACTION

Violation of VSPUD policies and rules may warrant disciplinary action. The District has established a system of progressive discipline that includes verbal warnings, written warnings, and suspension. The system is not formal and VSPUD may, in its sole discretion, utilize whatever form of discipline is deemed appropriate under the circumstances, up to, and including, termination of employment. The District's policy of progressive discipline in no way limits or alters the at-will employment relationship.

In any case where an employee is subject to disciplinary action, which includes termination of employment or suspension, the employee shall be notified in writing of the action being taken and said notification shall contain specific policies and or procedure violations. The notification will be personally served on the employee or sent by registered mail to their place of residence on file with the District.

GRIEVANCE PROCEDURE

Any employee who is suspended or terminated by the District Manager as a result of an unauthorized absence or violation of District policy or procedure, or related performance issues, may request a review of the decision by the Board of Directors of VSPUD.

Request for hearing - An employee who violates any VSPUD policy, procedure, rule, or performance related issue, and is terminated or suspended may, within five (5) working days after presentation to them of the order of termination or suspension, appeal to the President of the Board of Directors in writing. Within fifteen (10) working days of the receipt of the appeal, the Board of Directors will meet with the employee. Within five (5) working days after this meeting the Board of Directors shall deliver to the employee the response to the appeal in writing, which shall be final and binding to the extent authorized by law.

If the President of the Board receives no written request for a review within the five-day period, the employee's right to respond will be deemed waived.

During the consideration time period and response from the Board of Directors, the initial consequence of the unauthorized absence or violation of District policy or procedure, or related performance issue will be implemented as directed by the District Manager.

The District's policy of progressive discipline in no way limits or alters the at-will employment relationship.

In the event the employee is reinstated and/or the suspension deemed inappropriate, after requesting a review of the Board of Directors, back pay for the period of absence or suspension will occur.

Unauthorized Absence

The manager may prior to the formal hearing, reinstate the employee who has been absent without authorization for three (3) consecutive days if the employee provides a satisfactory explanation. If the employee is reinstated after providing a satisfactory explanation, back pay for the period of

absence will be disallowed, including the employee's use of vacation or sick leave to cover the period of absence, unless otherwise protected by State or Federal Law.

If the employee neither utilizes the grievance procedure to present their version of the facts pertinent to the unauthorized absence, within the time frame outlined in the grievance procedure, nor provides a satisfactory explanation to the District Manager within the designated time frame, the employee's voluntary resignation of employment shall be considered to be effective at the end of the third consecutive day of their unauthorized absence.

EMPLOYMENT OF RELATIVE

VSPUD may refuse to hire relatives of present employees and or Board members, if doing so could result in actual potential problems in supervision, security, safety, or morale or if doing so could create potential conflicts of interest VSPUD defines relatives as spouses, domestic partners, children, siblings, parents in-laws and step relatives.

If two employees or a member of the Board and an employee marry, become registered domestic partners, or become related, causing actual or potential problems such as those described above, only one of the parties will retain their association with the district, unless reasonable accommodations can be made to eliminate the actual or potential problems. The affected parties will have 30 days to decide which relative will stay with the District. If this decision is not made within the time allowed, the president of the board will make the decision, taking the association and/ or employment history and job performance of both employees into account.

VSPUD RECEIPT OF EMPLOYEE POLICY AND PROCEDURE MANUAL

I _____ (employee's name) have received my copy of the District's Employee Policy and Procedure Manual. I understand and agree that it is my responsibility to read and familiarize myself with the policies and procedures contained in the manual.

I understand that except for employment at-will status, the District can change any and all policies or practices at any time. VSPUD reserves the right to change my hours, wages, and working conditions at any time. I understand and agree that other than the Board of Directors of VSPUD, no manager, supervisor, or representative of the District has authority to enter into any agreement, express or implied, for employment for any specific period of time, or to make any agreement for employment other than at-will; only the Board of Directors has the authority to make any such agreement and then only in writing, signed by both the District Manager and the Board of Directors.

I understand and agree that nothing in the Employee Policy and Procedure Manual creates or is intended to create a promise or representation of continued employment, and that employment at VSPUD is employment at-will; employment may be terminated at the will of either the District or me. My signature certifies that I understand that the foregoing agreement on at-will status is the sole and entire agreement between VSPUD and me concerning the duration of my employment and the circumstances under which my employment may be terminated. It supersedes all prior agreements, understandings, and representations concerning my employment with VSPUD.

Employee

Date

Manager

Date