

**SAMPLE CDC  
POLICIES AND PROCEDURES  
MANUAL v. 2.1**

*February 2015*

## **Introduction**

The attached sample Policies and Procedures Manual was developed to assist community development corporations (CDCs) in their administration of federal funds. It includes sample personnel, accounting, financial management, procurement, and records management policies, and has two distinct purposes:

- To provide emerging CDCs with sample policies and procedures so that they may be able to develop policies and procedures appropriate to their specific circumstances, and to provide their staff members with information regarding the type of systems that may be adopted in their administration of federal funds; and
- To provide mature CDCs with sample policies and procedures to compare with their existing manual and assess whether adequate systems are in place particularly with respect to the administration of federal funds.

**Please note that the sample policies and procedures presented in this manual is only one of many possible models that could meet federal regulations. In many instances, an existing policies and procedures manual may be suffice. Prior to developing a policies and procedures manual or adopting any of the sample policies and procedures attached, LISC strongly encourages an organization to consult with legal counsel, accounting, financial, and/or human resource professionals. By doing so, the organization will be able to develop policies and procedures to reflect its own organizational philosophy and include information consistent with applicable state and local laws.**

*\* LISC makes no legal representation concerning the accuracy of the information presented in these sample policies and procedures manual or the manual's compliance with federal, state or local laws.*

## Table of Contents

<b>Introduction .....</b>	<b>2</b>
<b>PURPOSE .....</b>	<b>7</b>
<b>PERSONNEL POLICIES.....</b>	<b>8</b>
<i>Policy on Affirmative Action/Equal Employment Opportunity Statement .....</i>	<i>8</i>
<i>Compliant Procedure .....</i>	<i>8</i>
<i>Employment.....</i>	<i>9</i>
<i>Vacancies .....</i>	<i>9</i>
<i>Hiring .....</i>	<i>9</i>
<i>Employment at Will .....</i>	<i>10</i>
<i>Employment at Will Disclaimer.....</i>	<i>10</i>
<i>Employment Status.....</i>	<i>11</i>
<i>Full-time .....</i>	<i>11</i>
<i>Part-time .....</i>	<i>11</i>
<i>Temporary Employees .....</i>	<i>11</i>
<i>Non-Exempt and Exempt Employees.....</i>	<i>11</i>
<i>Consultants.....</i>	<i>11</i>
<i>Attendance .....</i>	<i>11</i>
<i>Work Schedule and Pay Periods .....</i>	<i>12</i>
<i>Work Schedule .....</i>	<i>12</i>
<i>Time Reporting.....</i>	<i>12</i>
<i>Non-exempt employees .....</i>	<i>12</i>
<i>Exempt Employees.....</i>	<i>13</i>
<i>Pay Practices.....</i>	<i>13</i>
<i>Pay Period.....</i>	<i>13</i>
<i>Direct Deposit.....</i>	<i>13</i>
<i>Wage Garnishments .....</i>	<i>14</i>
<i>Outside Employment .....</i>	<i>14</i>
<i>Conflict of Interest .....</i>	<i>14</i>
<i>Policy Prohibiting Unlawful Harassment, Including Sexual Harassment.....</i>	<i>15</i>
<i>Personnel Files and Employment Information.....</i>	<i>17</i>

<i>Resignation, Suspension, Termination, Reduction</i> .....	17
Resignation.....	17
Suspension .....	17
Termination.....	17
Reduction .....	18
<i>Grievance Procedure</i> .....	18
<i>Travel and Other Expenses</i> .....	19
<b>PERFOMANCE AND DISCIPLINE .....</b>	<b>20</b>
<i>Pay Raises and Bonuses</i> .....	20
<i>Performance Appraisals</i> .....	20
Supervision and Evaluation .....	20
Performance Evaluations .....	20
Initial Evaluation.....	20
<i>Corrective Action and Employment Termination</i> .....	21
Forms of Corrective Action .....	21
<i>Occasions for Corrective Action</i> .....	22
<b>BENEFITS .....</b>	<b>23</b>
<i>Benefits</i> .....	23
Vacation Days.....	23
Personal Excused Absence .....	24
Personal Sick Leave .....	24
Bereavement.....	24
Holidays.....	24
Leave of Absence (non FMLA).....	24
Jury Duty.....	25
Worker's Compensation.....	25
Disability Leave.....	25
Military Service.....	25
National Guard/Reserves .....	26
Parental Leave .....	26
Family and Medical Leave .....	27
Notice and Medical Certification .....	28
Insurance Retirement.....	29
Group Insurance .....	29
Short Term Disability .....	29
<b>ACCOUNTING, AUDIT AND FINANCIAL MANAGEMENT POLICIES .....</b>	<b>30</b>
<i>Accounting Policies</i> .....	30
<i>Cash Management</i> .....	30

<i>Payments</i> .....	30
Checks.....	30
Payment of Bills.....	31
Cash/Petty Cash .....	31
Cash Receipts .....	32
<i>SAMPLE SEGREGATION OF DUTIES</i> .....	33
<i>Cash Disbursements</i> .....	35
<b>General Ledger Account Coding</b> .....	<b>35</b>
<b>Revenue</b> .....	<b>35</b>
<b>Expense and Cost Allowability</b> .....	<b>35</b>
<i>Loan Loss Reserve (Only Applicable for CDCs that Make Loans)</i> .....	36
Collection of Delinquent Accounts.....	36
Write-off of Delinquent Debts/Charges.....	36
<i>Financial Reporting Procedures</i> .....	37
<i>Investment/Banking Policies</i> .....	37
Principles: .....	37
Procedures: .....	38
<i>Budget Principles/Procedures</i> .....	38
Budget Principles.....	38
Procedures .....	38
Adjustments in Budget/Spending Plans.....	39
Audit Procedure .....	39
<i>Whistleblower Policy</i> .....	39
<b>PROCUREMENT POLICIES</b> .....	<b>42</b>
<i>Introduction and Scope</i> .....	42
<i>Code of Conduct</i> .....	42
Requirements and Protocol .....	42
Disciplinary Actions .....	43
<i>Acquisition Planning</i> .....	43
Principles of Acquisition Planning .....	43
Procedures and Documentation Requirements .....	44
Retention of Documentation .....	44
<i>Solicitations for Goods and Services</i> .....	45
Objective .....	45
Principles .....	45
Procurement Methods (Types of Solicitations) .....	47

<i>Procurement Instruments (Type of Contract)</i> .....	51
Objective .....	51
Procedures .....	51
Procurement Instruments .....	51
Additional Considerations for Procurement of Office Supplies and Equipment .....	52
<i>Contract Cost and Price and Other Selection Criteria</i> .....	54
Requirement.....	54
Procedures.....	54
<i>Contractor Monitoring</i> .....	57
Monitoring Performance.....	57
<i>Procurement Records</i> .....	57
Requirement.....	57
Solicitation Documentation .....	57
Federal Agency Reviews.....	57
<i>Contract Provisions and Bonding Requirements Award and Administration</i> .....	58
Requirement.....	58
Other Award Administration Requirements .....	58
<b>PROPERTY/EQUIPMENT STANDARDS</b> .....	<b>59</b>
<b>RECORDS MANAGEMENT POLICY</b> .....	<b>59</b>
<i>Records Management Policy</i> .....	59
<b>Drug-Free Work Place Policy</b> .....	<b>63</b>
<b>COMPUTER AND INTERNET SECURITY</b> .....	<b>64</b>
<i>The Internet and e-mail</i> .....	64
<i>Computer viruses</i> .....	64
<i>Access and passwords</i> .....	65
<i>Physical security</i> .....	65
Employee responsibilities .....	65
<i>Copyrights and license agreements</i> .....	66
<b>ACKNOWLEDGEMENT FORM</b> .....	<b>67</b>

## **PURPOSE**

The Board of Directors of       Community Development Corporation (“CDC”), has developed and enacted the following policies and procedures by virtue of the by-laws of the organization. This manual was voted on by the board of directors and made effective on .

The purpose of this manual is to serve as a reference tool to guide managers in the administration of the company’s everyday operations and to acquaint employees with the information they need to understand those policies, practices and procedures.

Since it is not possible to anticipate every situation that may arise in the work place or to provide information that answers every question, circumstances will undoubtedly require that policies, practices, procedures and benefits change from time to time. Accordingly, the Board of Directors for       Community Development Corporation reserves the right to modify, supplement, or rescind any of its policies, practices, procedures and benefits at any time.

# **PERSONNEL POLICIES**

## **Policy on Affirmative Action/Equal Employment Opportunity Statement**

CDC is an Equal Opportunity Employer and recruits, employs, retains, and promotes persons in all job titles without regard to gender, sexual orientation, race, religion, color, alienage or citizenship, national or ethnic origin, age, transgender status, marital status, veteran status, carrier status or disability, except where there is a bona fide occupation qualification for the job tasks to be performed. In such circumstances reasonable accommodations for qualified individuals with known disabilities will be made unless doing so would result in an undue hardship.

CDC will also ensure that all personnel actions such as compensation, benefits, transfers, layoffs, recalls, transfers, leaves of absences compensation, and training will be administered in accordance with the principles of equal employment opportunity.

### **Compliant Procedure**

CDC does not discriminate against any employee, volunteer or consultant on the basis of race, color, cultural heritage, national origin, religion, age, sex, sexual orientation, marital status, physical or mental disability, political affiliation, source of income, veteran status or any other status protected under local, state, or federal law. This policy extends to all personnel decisions, terms and conditions of employment, vendor contracts and provision of services.

At [REDACTED] CDC, we are committed to providing a safe and respectful work environment for all staff and customers. No one, whether a manager, an employee, a consultant, or a member of the public, has to put up with harassment at [REDACTED] CDC, for any reason, at any time. And, no one has the right to harass anyone else, at work or in any situation related to employment.

Harassment is any behavior that degrades, demeans, humiliates, or embarrasses a person, and that a reasonable person should have known would be unwelcome. It includes actions (e.g. touching, pushing), comments (e.g. jokes, name-calling) or displays (e.g. posters, cartoons). Sexual harassment includes offensive or humiliating behavior related to a person's sex, as well as behavior of a sexual nature that creates an intimidating, hostile, or "poisoned" work environment, or that could reasonably be thought to put sexual conditions on a person's job or employment opportunities.

If you experience any job related discrimination or harassment based on race, color, religion, sexual orientation, national origin, age, disability, marital status, amnesty, or if you believe

you have been treated in an unlawful, discriminatory manner, promptly report the incident to your supervisor.

CDC will not disclose a complainant's or alleged harasser's name, or any circumstances related to a complaint, to anyone, except as necessary to investigate the complaint or take disciplinary action related to the complaint, or as required by law. Managers involved in a complaint are reminded to keep all information confidential, except in the above circumstances.

## **Employment**

CDC does not offer tenured or guaranteed employment. Thus, the Company or the employee can terminate the employment relationship at any time for any lawful reason, with or without cause, with or without notice.

## **Vacancies**

All positions not filled by internal promotion of existing employees will be advertised, and all applicants will be considered for employment in compliance with all applicable federal, state and local laws.

## **Hiring**

Board of Directors has the responsibility of hiring the Executive Director upon recommendation of the Executive Committee, which will interview and screen applicants. The Executive Director, with consultation of the Executive Committee and appropriate staff, has the responsibility of hiring all other staff.

During the recruitment, hiring, and orientation process, no statement is to be made promising permanent or guaranteed employment; and no document should be called a contract unless, in fact, a written employment agreement is to be used. When candidates from outside of the company are to be considered for job openings, the following procedures should be followed:

- a) All candidates for employment must submit a resume.
- b) An interview will be arranged between the applicant and the Executive Director or head of the department with the job opening.
- c) The Executive Director or department head has the responsibility to determine whether an applicant is technically qualified for the position and if the applicant is compatible with the work environment.
- d) Reference checks are required from all final stage candidates. Written references and notes on verbal references, if any, become part of the employee's personnel file.
- e) Any offer of employment is contingent on a satisfactory check of references and misrepresentations in the process of application for employment may be grounds for termination.
- f) Applicants must fill out and sign a Conflict of Interest Form and other pertinent employment forms.

- g) Following a decision to hire the applicant, the Executive Director, department head or Human Resources will make an offer of employment which should include any contingencies or disclaimers deemed necessary. This may include a limited term of employment if a specified funding source, of limited duration, is to be used to fund the position.

If the background, educational, conflict of interest, or other subsequent investigation discloses any misrepresentation on the resume or any other written material submitted to       CDC indicating that the individual is not suited for employment the applicant will be refused employment or, if already employed, will be subject to appropriate disciplinary action up to and including termination.

A member of an employee's immediate family will be considered for employment provided the applicant possesses qualifications for employment. An immediate family member may not be hired, if such employment would:

- a) Create either a direct or indirect supervisor/subordinate relationship with a family member; or
- b) Create either an actual conflict of interest or the appearance of a conflict of interest.

These criteria will also be considered when assigning, transferring, or promoting an employee. For purposes of this policy, "immediate family" includes: the employee's spouse, common-law spouse, qualified domestic partner, brother, sister, parents, children, step-children, father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, and any other member of the employee's household.

Employees who marry or become members of the same household may continue employment as long as there is not:

- a) A direct or indirect supervisor/subordinate relationship between such employees; or
- b) An actual conflict of interest or the appearance of a conflict of interest.

## **Employment at Will**

Employees hereby understand and acknowledge that, unless otherwise defined by applicable law, any employment relationship with       CDC is of an "at-will" nature.

### Employment at Will Disclaimer

This handbook does not constitute as a contract for employment for any period of time but merely sets forth policies and procedures in effect on the date it was issued. The handbook may be amended from time to time without prior notice to employees. Furthermore, additional policies and procedures specific to particular job classifications may be added as

needed. The Executive Director, is the only person, who has authority to enter into any agreement or make any promises or commitments contrary to the foregoing.

## **Employment Status**

A normal workweek is Monday through Friday, during the hours of 8:30am to 7:00pm and consists of thirty-five hours. A normal workday consists of eight consecutive hours of work with a one hour unpaid lunch period usually taken between the hours of 12pm and 2pm. Breaks are considered as time worked except as otherwise provided by law. The exact schedule of hours of work, including lunch and breaks are determined individually by the department or office which employs the employee.

### Full-time

A full-time regular employee is one who works between \_\_\_\_\_ and \_\_\_\_\_ hours per week.

### Part-time

Part-time employees work less than full-time in a regular job slot.

### Temporary Employees

A temporary employee is a person who is hired for a temporary period, generally less than (      ) months. Temporary employees should have no expectation of continued or regular employment and cannot become a regular employee unless an offer of regular employment has been made. Unless otherwise specified or as required by law, temporary employees are not eligible for employee benefits.

### Non-Exempt and Exempt Employees

The Federal Fair Labor Standards Act classifies employees as either non-exempt or exempt. Non-exempt employees receive hourly wages. Under federal law, non-exempt employees are entitled to minimum wage and, if they work more than \_\_\_\_\_ hours in a work week, they are entitled to overtime.

An exempt employee is salaried and is exempt from the provisions of the Fair Labor Standards Act. This customarily refers to professional, administrative and executive personnel.

### Consultants

Consultants are contracted for a specific scope of work and/or time period and are not employees of \_\_\_\_\_ CDC.

## **Attendance**

Employees are required to notify their immediate supervisor within one hour of the scheduled starting time in the event of illness or other unforeseen circumstances that will result in tardiness or absence from work.

Absence without prior approval, including illness, will not be compensated unless the employee provides proper notification of absence. Proper notification should be given to the immediate supervisor or the person acting in place of the supervisor in his or her absence. In case of catastrophic emergency that makes notification impossible, an employee will provide a brief written explanation upon return to work.

CDC may require doctor's verification for return to work after any absence for illness or injury of more than three consecutive day's duration. CDC reserves the right to request doctor's verification of any illness or injury regardless of duration of absence with special emphasis on employee's capability to return to work and work restrictions, if any.

## **Work Schedule and Pay Periods**

### Work Schedule

All full-time employees typically work a \_\_\_\_\_ -hour, \_\_\_\_\_ -day week including meal breaks. The normal office hours of the organization are \_\_\_\_\_ [Monday through Friday from \_\_\_\_\_ :00 a.m. to \_\_\_\_\_ :00 p.m]. Non-exempt employees will be paid time and one half for each hour worked beyond 40 each week or will be awarded compensatory time at a rate of one hour for every hour over forty hours worked during a single week.

### Time Reporting

All employees shall be required to complete time sheets on a weekly basis. *Employees whose salary is funded from multiple federal, state or local sources are required to allocate their time accordingly to the various funding sources on their time sheet.*

## **Non-exempt employees**

Non-exempt employees are required to complete an individual time record showing the daily hours worked. Timesheets cover one pay period and are to be completed at the close of each workday and be submitted to their supervisor the last day of the pay period. The following points should be considered in filling out time records:

- a) Employees are to record their starting time, quitting time, and total hours worked for each workday.
- b) Employees are not permitted to sign in or commence work before their normal starting time or to sign out or stop work after their normal quitting time without the prior approval of their supervisor.
- c) Employees are required to take a lunch or meal break.
- d) Employee timesheets are to be checked and signed by the supervisor. Other time for which an employee is entitled to be paid (paid absences, paid holidays, or paid vacation time) should be entered on the time record. Overtime also should be entered. Time sheets should be signed by an immediate supervisor.

- e) Unapproved absences are not considered as hours worked for pay purposes.  
Supervisors are to inform employees if they will not be paid for certain hours of absence.

The filling out of another employee's time record other than by a supervisor in the employee's absence or the falsifying of any time record is prohibited and may be grounds for disciplinary action, including termination.

## **Exempt Employees**

Exempt employees are required to submit to their supervisor an Absence Record. The Absence Record must include any vacation, sick time or other leave taken. If the supervisor completed the Absence Record during an employee's absence, the employee must countersign the Absence Record upon his/her return. Absence Records must be approved by the employee's immediate supervisor and forwarded to the .

All employees have a responsibility to accurately report their time. Failure to fulfill time reporting requirements may result in delay of salary payment or disciplinary action as appropriate.

The filling out of another employee's Absence Record other than by a supervisor in the employee's absence or the falsifying of any Absence Record is prohibited and may be grounds for disciplinary action, including termination.

## **Pay Practices**

### Pay Period

Employees will be paid on a bi-weekly cycle unless pay day falls on a holiday or weekend, in which case staff will be paid on the last working day before that holiday or weekend. Employees are encouraged to have direct deposit payroll.

On pay day employees will be sent a check in the office which they report for work or a pay stub showing the pay that has been deposited in their bank account. New employees will receive a paycheck until direct deposit can be arranged.

### Direct Deposit

Employees can "Direct Deposit" their payroll check into the bank of their choice by completing the direct deposit application accompanying the package received at orientation or by requesting a Direct Deposit form from Human Resources or the department in charge of payroll.

The Direct Deposit process can take up to three pay periods for completion. During processing, employees will continue to receive checks until the first electronic transfer takes place. When the "Direct Deposit" takes effect the employee will receive a pay stub showing the details of salary payment and total amount deposited in the bank.

An employee should contact the prompt upon noting a problem with the Direct Deposit process or change of banks. CDC will work with the payroll company, if applicable, and the bank to rectify any problem, however, CDC is not responsible for any errors with the direct deposit process.

## **Wage Garnishments**

Garnishments are a legal procedure through which an employee's earnings must be withheld for the payment of a debt.

When a garnishment notice is received, the will follow the appropriate Federal and State Laws relating to wage garnishments. The or will make every effort to contact the employee at this time concerning how the garnishment affects them and answer any questions regarding the process.

## **Outside Employment**

does not wish to limit your outside activities or control your time outside of work hours as long as it does not interfere with your work performance or the business interests of the organization. If you work on a full-time basis, considers itself your primary employer and requires you to devote your full time and attention to your job duties each day while at work.

Employee have a full-time responsibility to CDC and may not engage in activities that might interfere or conflict with the discharge of this responsibility, or in transactions that may affect the judgments they exercise on behalf of the company. Accordingly, CDC requires conformance with a variety of regulations governing service to outside organizations (as a trustee, director, consultant, or in a similar capacity) as well as, disclosure of information, fees and payments, investments and other related issues.

The does not automatically prohibit secondary employment however the employee must obtain prior approval in writing for such employment.

## **Conflict of Interest**

No employee will participate in activities or other employment that cause a conflict of interest with the activities of CDC. Activities or employment that create possible conflicts will be disclosed to the Executive Director in writing for review.

Any employee of the organization, who accepts gifts or gratuities from individuals, companies, clients, or suppliers in conjunction with their job, will be subject to disciplinary action up to and including dismissal.

No CDC employee is to become involved in real estate development, outside of his or her work at CDC, in any neighborhood where CDC operates a program.

No officer or employee may serve as an official, director, or trustee of any for-profit or non-profit enterprise without obtaining the approval of their immediate supervisor.

CDC encourages service with constructive and legitimate not-for-profit organizations. Participation in civic affairs is encouraged as part of our commitment to community involvement. There are cases, however, in which organizations have business relationships with the organization in which the handling of confidential information might result in a conflict of interest. An employee's immediate supervisor must be advised when a potential conflict exists.

## **Policy Prohibiting Unlawful Harassment, Including Sexual Harassment**

It is the policy of       CDC that it will not tolerate verbal or physical conduct by any employee which harasses, disrupts, or interferes with another's work performance or which creates an intimidating, offensive, or hostile environment.

As an equal opportunity employer, it is       CDC's policy that every applicant and employee shall enjoy a work environment free from all forms of unlawful harassment, including sexual harassment. Unwelcome verbal, physical or visual conduct involving any individual's race, color, religion, sex, sexual orientation, pregnancy, age, national origin, ancestry, citizenship, medical condition, physical disability, marital status, or military service, or any other basis protected by any federal, state or local law which impairs an employee's ability to perform their job is illegal and is strictly prohibited.

Sexual harassment is an unlawful employment practice under Title VII of the Civil Rights Act of 1964 and various state laws. The regulations of the Equal Employment Opportunity Commission define "sexual harassment" as follows:

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

- a) submission to such conduct is made either explicitly or implicitly a term or a condition of an individual's employment; and
- b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or 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.

Some examples of sexual harassment include, but are not limited to, the following:

- a) Unwelcome requests for sexual favors or dates.
- b) Unwelcome physical touching.
- c) Jokes or gestures that have a sexual content or sexual connotation.
- d) Posters or cartoons that have a sexual content or sexual connotation.
- e) Sending or forwarding written or electronic correspondence of a sexually explicit nature.

- f) Creating an otherwise offensive working environment or unreasonably interfering with another's ability to perform his or her job.

CDC does not condone sexual relationships between supervisors and their staff. A relationship of this type can easily be considered sexual harassment. If such a relationship develops, one of the individuals must transfer to another position in the organization.

Both as a matter of law and common decency, each employee of CDC is entitled to pursue his or her employment, free of harassment or discrimination on any of the prohibited bases enumerated above. Accordingly, unlawful harassment or discrimination against any employee of CDC will not be tolerated. Violation of this policy may subject an employee to discipline, up to and including immediate termination.

Any employee who believes that he or she (or another employee) is the object of harassment or discrimination on any of the above-enumerated bases is strongly encouraged to follow the complaint procedure outlined below.

Any employee may initiate the complaint procedure, without fear of reprisal, by immediately reporting such complaints to the:

- a) the employee's immediate supervisor.
- b) The , if the employee feels that he or she is unable to report a complaint to his or her immediate supervisor.
- c) an officer of CDC, if the employee feels that he or she is unable to report a complaint to the .

CDC takes all complaints of harassment or discrimination seriously. All complaints will be investigated immediately by an impartial designee to be determined by senior management of CDC.

Any employee who believes that the actions or words of a supervisor or fellow employee or some other person(s) encountered in the workplace constitute unwelcome harassment has a responsibility to report such incident as soon as possible to the appropriate supervisor, manager or officer of CDC. Employees are encouraged to utilize the foregoing complaint procedure. No employee will be retaliated against for having opposed unlawful harassment or discrimination, or for having filed a complaint or otherwise participating in an investigation concerning a complaint.

Employees are also notified that there are governmental agencies that handle claims of unlawful discrimination and harassment. These agencies include the Equal Employment Opportunity Commission and parallel state agencies.

Each employee will be required to sign an acknowledgment of the **Policy Prohibiting Unlawful Harassment, Including Sexual Harassment** contained at the back of this manual.

## **Personnel Files and Employment Information**

All staff members have a right of access to their personnel file, with the exception of access to reference checks that were obtained in confidence. The staff member may review the folder in the presence of their immediate supervisor. It is the responsibility of the staff member to provide information to their supervisor to keep personnel folders up-to-date (e.g., current resumes, change in marital status, name, address, telephone numbers, number of dependents, designated beneficiaries, education and training skills).

The employee's immediate supervisor is authorized to verify the following information for a prospective creditor of an employee: 1) dates of employment; 2) title; and, 3) salary. Neither the Executive Director nor any employee is authorized to provide a prospective employer of a present or former employee of the organization with any information other than dates of employment and title.

## **Resignation, Suspension, Termination, Reduction**

### Resignation

Employees who wish to resign from their positions should give \_\_\_\_\_ weeks written notice to their immediate supervisor with the reasons stated therein. If \_\_\_\_\_ weeks notice is not given before resignation, the employee may lose any accumulated vacation time or other benefits.

### Suspension

Suspensions usually occur after verbal warnings or written warnings are issued. However, an employee may be suspended by the Executive Director without pay for breach of client confidentiality, unsatisfactory job performance, and/or just cause. The Executive Committee must review the facts of the case at or before the next regularly scheduled board meeting to either confirm or reverse the suspension. The decision of the Executive Committee will be given in writing.

### Termination

Dismissal will be issued for unsatisfactory job performance, violation of the Personnel Policies and Procedures, illegal acts, or any other just cause as determined by the Executive Director. Written notice of termination will be given with reasons for the action stated to the employee. Immediate termination will occur for breach of client confidentiality, theft, and/or just cause. Unsatisfactory job performance includes, but is not limited to excessive absenteeism, tardiness, failure to cooperate with other employees, and unauthorized use of company property. In addition, \_\_\_\_\_ CDC reserves the right to terminate an employee at any time with or without notice, for any reason, or for no reason at all. For more details,

refer to Corrective Action and Termination in Section Three Performance and Discipline section.

The Board of Directors has the responsibility for the termination of the Executive Director upon recommendation of the Executive Committee in accordance with these policies.

If a terminating employee is eligible for any incentive compensation, bonus, and/or awards, they must be actively employed on the date the compensation, bonus and/or awards are paid.

#### Reduction

If an employee must be terminated due to a reduction in workforce, he or she will be notified 30 calendar days prior to the event, if possible.

## **Grievance Procedure**

An employee is encouraged to make use of the following grievance procedure after s/he has made a good faith effort to approach the supervisor in an attempt to correct issues.

**Step 1:** The employee shall present the initial grievance in writing to the immediate supervisor within (      ) working days after the event or action that is the basis for the grievance. Promptly, and usually within three working days of receipt of the grievance, the immediate supervisor will arrange a meeting with the employee. Soon afterwards, the supervisor will provide the employee with a written response to the grievance. If the employee does not agree with the response, the employee may forward the grievance to the Executive Director within (      ) working days of receipt of the supervisor's written response.

**Step 2:** Promptly, and usually within (      ) working days of receipt of a grievance, the Executive Director will meet with the employee and the supervisor. Following this meeting the Executive Director will promptly provide a written response to the employee. If the employee does not agree with the response, the employee may forward the grievance to the Executive Committee (Board Officers) within (      ) working days of receipt of the Executive Director's written response.

The Executive Committee will meet promptly to hear the employee's grievance. Under most circumstances, the meeting shall be within (      ) working days of receipt of the request for an appeal. The Executive Committee will promptly furnish its findings to the Executive Director and the employee. The decision of the Executive Committee shall be final and binding.

If the employee feels intimidated or threatened by pursuing any of the steps in this grievance procedure, s/he is urged to bring this concern directly and immediately to the Executive Director.

## **Travel and Other Expenses**

Employees will be reimbursed for approved business travel and other expenses that is pre-approved by the employee's immediate supervisor. Travel expenses and other expenses include the following:

- a) Mileage for employees using personal automobiles for travel will be reimbursed at the current IRS approved mileage rate. All requests for reimbursement will be documented on the approved reimbursement form available in the office.
- b) Mass transit, taxi or car service to carry out business. Staff should consider overall costs before selecting a mode of transportation. Mass transit is by far the least expensive. If feasible for the nature of your journey please take mass transport. Reimbursement will be calculated on a per trip basis.
- c) Temporary dependent care costs (as defined by 26 U.S.C. 152) above and beyond regular dependent care that directly result from travel to conferences, are a direct result of the employee's travel for work, and are only temporary during the travel period. Travel expenses for dependents will not be reimbursed.
- d) Personal meals incurred by an employee when eating on an out-of-town business trip. Employees must travel more than 50 miles round trip from their home office to qualify for reimbursement.
- e) Business meals taken with clients, prospects or associates during which a specific business discussion takes place.
- f) Tips included on meal receipt will be reimbursed. Tips should be no more than 20% of the bill.

We strongly recommend that all travel arrangements that require airfare and lodging be book through . If you are attending a conference that offers a reduced hotel rate at the conference hotel, you should book your room directly to access the reduced rate, rather than using . Conference and workshop related travel must be approved by an employee's supervisor in advance of the trip.

When traveling by air, reimburses for economy class only. When traveling by rail, coach travel, not the Acela, should be used.

Make every effort to purchase the lowest possible fare. All airline travel should be booked at least 14 days in advance of the trip. If an employee is booking their travel less than 14 days in advance, such employee must provide written explanation on the expense report explaining why the trip was not booked 14 or more days in advance of the departure date.

Reimbursement requests may be submitted as often as once a month. Expenditures from the previous fiscal year can be reimbursed only on requests received prior to the year-end closing of the books, by no later than .

# **PERFOMANCE AND DISCIPLINE**

## **Pay Raises and Bonuses**

Pay raises and bonuses (if applicable) will be determined annually by the Board of Directors and the Officers of        CDC. In the event that there are monies available for compensation increases, these increases will be paid as salary and/or bonus according to exempt or non-exempt status and determined by attainment of performance standards.

Bonus compensation may only be paid to exempt staff only. Bonuses are based on goal achievement in the previous year and are paid to both reward over achievement and as an incentive to continue future performance. Like pay raises bonus pay will be paid as salary.

## **Performance Appraisals**

The Performance Appraisal process for Exempt and Non-Exempt employees is the foundation for all compensation activity and provides a unique opportunity to unite the employee's accountabilities and achievements to the objectives and strategic plans of the organization.

### Supervision and Evaluation

The Chairman of the Board of Directors is the direct supervisor of        CDC's Executive Director, and in conjunction with the Executive Committee of the Board of Directors, will conduct an annual performance evaluation of the Executive Director. The Executive Director is the direct supervisor of each individual employee. In the event that there are Program Directors, the Program Directors are the direct supervisors of the support staff in their program.

### Performance Evaluations

      believes in the importance of employee performance evaluations. All employees will be evaluated by their direct supervisor using established standards of performance for their position, on a semi-annual basis in January and June. The evaluation is based in job performance with regard to applicable skills, productivity, quality of work, attitude and cooperation, dependability, job knowledge and effectiveness, and other areas applicable to specific employee categories. Attendance and punctuality are a major factor in an employee's overall review.

### Initial Evaluation

The immediate supervisor or the Executive Director (see above) will perform an evaluation, three months after employment with the organization.