

# ABC Company Employee Handbook

(Sample)

## **EANJ DISCLAIMER**

THE POLICIES CONTAINED IN THIS DOCUMENT DO NOT  
CONSTITUTE AUTHORATIVE LEGAL OPINION. BEFORE ISSUING  
AN EMPLOYEE HANDBOOK EANJ RECOMMENDS REVIEW BY  
COMPETENT LEGAL COUNSEL

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# Guide to Establishing Personnel Policies

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## **EMPLOYMENT-AT-WILL: DISCLAIMERS**

Generally, in the absence of a written contract to employ an individual for a specific period of time, he is an "employee-at-will" and, with certain exceptions, can be discharged at the discretion of the employer - at any time and for any reason, good or bad.

One exception is represented by the numerous statutes, particularly the State and federal laws against employment discrimination, which limit the right to discharge. Another exception may arise from statements in employee handbooks or manuals and other publications that expressly or impliedly limit the employer's freedom to discharge. The New Jersey Supreme Court so ruled in the case of *Woolley v. Hoffmann-La Roche*.

There are some things which employers can do to prevent a handbook or manual from impairing their freedom to discharge. One is to attempt to exclude all statements and provisions which expressly or impliedly limit the employer's freedom of action. In addition, it is imperative that a so-called disclaimer be included, which expresses the employer's right to discharge at will.

The court in the Woolley case set forth very specifically the language of a disclaimer and it is reproduced below as part of a statement which should be placed at the beginning of the handbook. Such placement, and putting the disclaimer in capital letters, will satisfy the court's requirement that a disclaimer be very prominently displayed.

### **Sample Statement**

#### **IMPORTANT INFORMATION - READ CAREFULLY**

This handbook, which replaces all previously issued handbooks and policy statements, is provided only as a matter of reference and is not an employment contract. Nothing in this handbook limits any rights employees may have under state or federal law, including the National Labor Relations Act.

THE EMPLOYMENT RELATIONSHIP IS "AT-WILL EMPLOYMENT", WHICH MEANS REGARDLESS OF ANYTHING CONTAINED IN THE HANDBOOK AND REGARDLESS OF ANY CUSTOM OR PRACTICE, THE COMPANY MAKES NO PROMISES AND REMAINS FREE TO CHANGE POLICIES, BENEFITS, AND ALL OTHER WORKING CONDITIONS WITHOUT HAVING TO CONSULT ANYONE OR OBTAIN ANYONE'S AGREEMENT. JUST AS ANY EMPLOYEE HAS THE RIGHT TO TERMINATE HIS EMPLOYMENT FOR ANY REASON, THE COMPANY RETAINS THE ABSOLUTE POWER TO DISCHARGE ANYONE AT ANY TIME, WITH OR WITHOUT CAUSE, AND WITHOUT PRIOR NOTICE.

The at-will relationship can only be changed by a written document that 1) is signed by both the \_\_\_\_\_ and the employee, 2) specifically identifies the employee, 3) expressly states that the employee is not employed at-will, and 4) sets forth a specific duration of employment. No person other than the \_\_\_\_\_ has the authority to adopt new policies or to change or eliminate existing ones, in writing, and no other person has the authority to make any commitment which modifies or contradicts any provision contained in this handbook. (Date)

## **Personnel Files and Employment Records**

The Company maintains a personnel file on each employee. Generally, the contents of the file include job applications, salary history, benefits records, reference letters, discipline records, performance evaluations and general correspondence. An employee may review his/her personnel file by appointment during regular business hours. Copies of documents already signed by the employee may be obtained by request.

## **Employee Categories**

*If part-time or temporary employees, as distinguished from "regular" employees, do not or will not receive any or all "company benefits," the terms must be defined.*

### ***Suggested Definitions***

Depending on their hours of work and the nature of their work and responsibilities, employees are classified on the following basis:

**Regular:** employees (other than temporary) who are assigned to regularly work (40) hours or more per week.

**Part-time:** employees (other than temporary) who are assigned to regularly work fewer than (40) hours per week.

**Temporary:** employees who are hired for a specific period of time; or for a short, indeterminate period; or for a specific project or task, usually of limited duration; or hired as interim replacements. The status of an employee who was hired in this category will not necessarily change if the employment continues beyond the period originally contemplated.

Employees in any of these classifications may be further classified as either "exempt" or "non-exempt." "Exempt" employees are those in certain executive, administrative, professional, or outside sales positions, as defined by law, who are exempt from the overtime pay provisions of State and federal law. All other employees are "non-exempt."

The status of a regular or part-time employee will not be affected by a change in scheduled hours which are of a temporary or intermittent nature.

**Employment of Relatives**

- 1. If there are to be restrictions on hiring an individual who is related to a current employee, to what areas will they apply: the entire company, the same department, the same line of authority?*
- 2. If two employees marry and they are in the area to which the ban applies, what policy and procedure will be followed in selecting the one to be terminated, transferred, etc.?*

**SAMPLE POLICY**

In order to avoid potential conflicts of interest, it is the Company's policy to prohibit employment of close relatives or domestic partners in any supervisor/subordinate relationship. The Company also discourages the employment of close relatives within the same department, unless there are extraordinary circumstances that may warrant it. A close relative is defined as a spouse, child, parent, parent-in-law, brother, sister, brother-in-law, sister-in-law, grandchild or grandparent. Close relative also means domestic partner as defined by the NJ Domestic Partnership Act.

If two employees become relatives (whether by marriage or other legal action), both are eligible to keep their jobs if they do not work in the same department, one does not supervise the other, or one is not the supervisor of the others supervisor. In circumstances where such conflicts arise, efforts will be made to accommodate a transfer of one affected employee, subject to existing business considerations. Where such an accommodation can not be reached, necessary steps will be taken, up to and including termination of one of the two affected individuals, if necessary, after offering the employees the opportunity for one of them to voluntarily discontinue his/her employment. The Company retains the right to make the final decision in such a case.

**Background Checks**

The Company reserves the discretion to conduct background checks on employees at any time during their employment. In such cases where the employee's express written permission is required by law, granting such permission is a condition of continued employment.

**Equal Employment Opportunity**

It is the policy of ABC Company to hire well-qualified people to perform the many tasks necessary in providing high quality service. An integral part of this policy is to provide equal employment opportunity for all persons for employment and to recruit and administer hiring, working conditions, benefits and privileges of employment, compensation, training, opportunities for advancement including upgrading and promotion, transfer and terminations of employment including layoffs and recalls for all employees, without discrimination because of race, color, religion, national origin, sex, sexual orientation, age, veteran status, disability, or other characteristics unrelated to a person's qualification and/or job performance.

## **Reporting Changes in Personal Data**

It is important that accurate and current personal data be maintained for all employees. For this reason every employee must promptly inform the \_\_\_\_\_ Department of any changes in name, address, telephone number, marital status, number and names of dependents, insurance beneficiary, name of person to be notified in an emergency, military status, license plate number and description of car driven to work and any other item which may affect his status.

## **Reporting Workplace Accidents and Injuries**

An employee who sustains any work-related injury or illness, no matter how slight, must report this immediately or soon thereafter as practicable, to his/her supervisor. Failure to report may adversely affect the right to receive Workers' Compensation benefits, if any.

Any employee who is involved in any accident at work, regardless of how serious or incidental, must report it immediately to his/her supervisor.

Employees who report any workplace accident, injury or illness will not be retaliated against because of reporting.

## **Social Security Numbers**

The Company uses a Social Security Number (SSN) as authorized by state and federal law, including for payroll, tax, benefits and for employee verification purposes. Reasonable precautions are taken to prevent the disclosure or misuse of a SSN, including, but not limited to, ensuring that SSNs are not publicly displayed or published.

## **English in the Workplace**

The company does not tolerate discrimination or harassment based on employee's birthplace, ancestry, culture or any discernable characteristics common to a specific ethnic group. Should an employee believe that he or she is subject to such treatment, it should be immediately reported to any supervisor or manager or directly to \_\_\_\_\_.

Due to business necessity, employees are required to use the English language during working time and in work areas. Further, the company reserves the right to require English-only at any time for business reasons. Questions concerning this policy or the consequences for violating it may be directed to \_\_\_\_\_.

## **Use of Employee Image**

The company reserves the right to photograph employees in situations appropriate to the business and to publish likenesses in publications, videos or other promotional materials, which includes, but is not limited to, websites and intranets. However, the company will, to the extent feasible, honor requests of employees who do not wish their image photographed or published.

It is the goal of the company to be an equal opportunity employer and to achieve zero tolerance of workplace discrimination and harassment, including sexual harassment in the workplace. Employment decisions made on the basis of race, religion, national origin, gender, sexual orientation, disability or other characteristics unrelated to a person's qualification and/or job performance are improper. Likewise, harassment of employees occurring in the workplace or in other settings in which employees may find themselves, such as business trips, business meetings, company-sponsored events and other occasions, will not be tolerated.

### **What Is Sexual Harassment**

For the purpose of this policy, sexual harassment means unwelcome sexual advances and invitations, requests for sexual favors, unwanted physical contact, as well as other verbal or physical conduct of a sexual nature, such as the display or transmission of sexually suggestive objects, pictures or cartoons; physical gestures of a sexual nature; sexual epithets, jokes and insults; or any other unwelcome conduct of a sexual nature.

Sexual harassment also means when a manager or supervisor explicitly or implicitly threatens to take some action or make some decision on the basis of an employee's submission or rejection of sexual advances or invitations; or when a manager or supervisor retaliates against an employee because he/she rejected sexual advances or invitations.

Sexual harassment also means mistreating an employee because of the employee's sex.

### **Other Forms of Harassment**

Harassment can also be based on characteristics other than sex, such as race, religion, national origin, or disability. It can take the form of epithets, jokes and insults or other forms of mistreatment.

### **Who Can Report Harassment**

Any employee, at any level and regardless of job classification, can report harassment. An employee need not be the target of harassment to report it. A report can be based on what is observed or overheard. It is expected that any report shall be made in good faith.

### **What To Do If You Believe This Policy Has Been Violated**

If you believe that this policy has been violated in any way, you should immediately report such conduct to your supervisor. Such promptness will ensure that concerns and issues can be addressed in a timely manner. If you feel uncomfortable bringing the matter to your supervisor, or if your supervisor is thought to be involved in violating this policy, you may contact the Personnel Department. The Company will treat the matter confidentially, to the extent possible under the circumstances. Please note that an employee need not be the actual target of discrimination or harassment to bring any matter to the attention of a supervisor or the Personnel Department.

### **What Happens Next**

When the possibility of discrimination or harassment has been brought to the company's attention, the Company will act promptly. This action may include an inquiry into the matter, including personal interviews of all relevant employees. This inquiry will be conducted in a way as to maintain confidentiality to the extent possible under the circumstances.



Employees are expected to cooperate fully in any inquiry conducted by the Company and to be forthcoming in any request that the Company may make.

The Company will follow procedures it deems proper under the circumstances and will exercise its discretion to maintain fairness to all parties. Any and all documents or records created by the Company are the Company's property and/or confidential work-product and are not subject to disclosure.

At any time during this inquiry, or at its conclusion, the company may exercise its discretion to take whatever action it deems necessary, including but not limited to, placing an employee on leave of absence, reassignment, suspension, demotion, or discharge, or any other action. The company also reserves the right to require counseling, training and/or monitoring as a condition of continued employment.

### **Non Retaliation**

The company will not tolerate retaliation against any person for reporting a violation of this policy or for providing information in connection with any inquiry made under this policy. If any employee believes that he or she is subject to retaliation, it should be reported immediately as a violation of this policy.

### **The Company's Authority and Discretion**

Please note that while this policy declares the company's goal to achieve equal employment opportunity and zero tolerance of harassment, it is not designed or intended to limit the company's authority or discretion to make any and all employment decisions, including decisions about discipline, discharge or other corrective action, concerning employee conduct that the company deems unacceptable, regardless of whether that conduct constitutes discrimination or harassment.

### **Use and Disclosure of Health Information**

The Company sponsors certain health benefits plan(s). To the extent that the Company engages in plan administration functions, the Company does not use or disclose health information protected by the Health Insurance Portability and Accountability Act (HIPAA), except as necessary for payment, treatment, health plan operations and plan administration, or for other purposes permitted or required by law.

Employees have certain rights with respect to protected health information, including the right to see and copy the information, receive an accounting of certain disclosures of the information and, under certain circumstances, to amend the information. A complete description of these rights can be found in the Plan's Privacy Notice, which is distributed to employees upon enrollment. Plan documents are also available for inspection during regular working hours. Additionally, all health plans are required to include such notice. As these Notices explain, employees have the right to file a complaint with any health plan or with the Secretary of the U.S. Department of Health and Human Services.

Regardless of whether the Company engages in plan administration functions, the Company will not require employees to waive any rights that they may have as a condition of eligibility of benefits, or as a condition of treatment, payment or enrollment in any health plan. Further, the Company shall not retaliate against any employee for exercising his or her rights under HIPAA. Questions or concerns can be directed to: \_\_\_\_\_.

## **Probationary Period**

*The establishment of an initial period of employment which is described as one during which the performance of a new employee is scrutinized and evaluated, at the end of which time he becomes a "regular employee," is pointless and possibly dangerous.*

*It is pointless because every employee's performance is evaluated throughout his entire time of employment; the process does not cease at the conclusion of some arbitrarily selected period of time. And to state that after the completion of the period the employee's classification changes to that of a "regular" employee (or some similar designation) may imply that he then acquires some protected status that he would not otherwise possess.*

*On the other hand, a "probationary" period which is described as the minimum length of time that an employee must work before attaining eligibility for various company benefits is entirely appropriate.*

## **Outside Employment and Activities**

All employees are expected to devote their full attention, effort, and energy to their jobs here and therefore the company (discourages employees from performing) (does not permit employees to perform) work for other employers or to engage in self-employment.

Exceptions to this policy may be made in certain circumstances if an employee requests permission to perform outside work. Permission will be granted or denied, in the company's discretion, depending on such factors as the nature of the work, work hours, and the potential adverse effects on the employee's performance.

The foregoing policy applies does not apply to part-time employees who are scheduled to work for the company for fewer than \_\_\_\_\_ hours per week.

Under no circumstances will an employee be allowed to work for a competitor or where there might be a conflict of interest, or the appearance of a conflict, or where such work might cause harm to the company's image or reputation, its products or services, or compromise proprietary information or trade secrets, or impair customer, client or employee relations, as determined by the company in its sole discretion.

## **Activities Outside of Work**

While employees are free to engage in conduct or pursuits outside of work, there may be times where such conduct or pursuits might conflict with the company's mission or code of ethics, or might disparage the company or cause harm to its reputation, its products or services, or compromise proprietary information or trade secrets, or impair customer, client or employee relations, or cause discord within the company, or be otherwise offensive, as determined by the company in its sole discretion. Such conduct or pursuit may be brought to the employee's attention and the employee may be given a reasonable opportunity to cease his/ her outside conduct or pursuits to the company's satisfaction.

Regardless of anything in this policy, the company retains the sole right to terminate employment at any time, with or without cause, with or without notice.

*A listing of rules of conduct and the penalties for their violation serves the obvious purpose of informing employees about the employer's standards and also helps to establish uniformity of treatment in discipline-discharge situations, thereby reducing the likelihood of claims of discrimination.*

*However, problems can result from promulgation of such a list.*

*In the absence of a disclaimer many courts have declared that a "comprehensive" list of rules of conduct impairs the at-will status of employees, the rationale being that it is inconsistent for an employer, on the one hand, to maintain that employees may be discharged for any reason, and on the other hand to specify particular reasons for discharge. Even in the face of an otherwise effective disclaimer a court, particularly a New Jersey court, could say that by listing rules of conduct, together with penalties for their violation, the disclaimer is rendered ambiguous and therefore ineffective.*

*Accordingly, the following precautions should be observed.*

- 1. The safest course is to exclude any list of rules of conduct.*
- 2. If it is deemed necessary or desirable to list some rules of conduct, the list should be as brief as possible.*

*Do not include reference to conduct which is so obviously unacceptable (such as stealing, falsifying records, being excessively absent) that it needs no expression in a handbook. Do not repeat references to conduct which is covered elsewhere in the handbook as part of some separate policy statement.*

- 3. Identify the prohibited conduct merely as contrary to Company policy, without stating consequences or penalties for violation.*

### **Suggested Statement**

For the benefit of some employees who may not be fully aware of Company standards, we have listed some examples of Conduct and actions which are contrary to Company policy.

This list is not intended to be all-inclusive. Some conduct is obviously inappropriate that it is superfluous to refer to it; some conduct is covered in other policy statements.

The following are contrary to the policy of ABC Company, *(List)*

This listing does not result in altering the at-will status of any employee nor limit or detract from the right of the Company to discharge employees for any reason, as explained on Page \_\_\_\_\_ of this handbook.

## **Statement on Discipline**

*Engaging in some form of corrective or disciplinary action (counseling, reprimanding, warning, suspending) before discharging an employee is not only good employee relations practice but often a necessary step in establishing a legal foundation for possible discharge.*

*However, the particular kinds and number of disciplinary steps should depend on circumstances; in some cases none is called for. Therefore, employers should avoid making any commitments on the subject; otherwise, if one is made but not observed, a discharge will be considered to be wrongful regardless of the underlying reason for it.*

*If a statement on this subject is to be included in an employee handbook, the following language is suggested.*

### **Sample Statement**

In the administration of discipline, the Company's objective is to be constructive. Ordinarily, the company will apply corrective discipline if an employee engages in misconduct or fails to meet company requirements as to performance or otherwise. However, this depends upon all of the circumstances, and discipline may or may not be imposed, as determined by the Company in its discretion. When it is imposed, it may consist of one or more warnings or reprimands, oral or written, and one or more disciplinary suspensions.

## **Salary Deduction**

Employees classified as exempt executives, administrators and professionals shall be paid on a salary basis. This salary shall not be subject to reduction except in accordance with the following: 1) deductions may be made for absences of one or more full days on account of personal reasons 2) deductions may be made for absences of one or more full days due to sickness or disability and the employee has exhausted all paid time or is not otherwise eligible for under such a plan or is not yet eligible for time, 3) deductions may be made as a result of disciplinary suspensions for infractions of safety rules of major significance 4) deductions may be made for disciplinary suspensions of one or more full days for infractions of workplace conduct rules and for deductions may be made in accordance with leave taken pursuant to the Family Medical Leave Act.

If you believe we have made an improper deduction, please contact the HR director. If an inquiry reveals that an improper deduction has been made, the employee will be reimbursed and the Company will take steps to avoid any such future deductions.

## **Requesting Information about Pay**

Requests for information about job title, job classifications or categories, pay, benefits or other compensation can be made to the HR director. Such requests will be considered based on all of the circumstances but the company will not tolerate retaliation against any person making the request.

## **Overtime Pay**

*Things to consider:*

1. *In calculating the amount of time to be credited for "overtime" purposes, do you count (as though worked) any paid absences, such as for unworked holidays, jury duty, etc.?*
2. *Does the policy statement inform employees that they are expected to work extra hours when asked, but that they should not work overtime without permission?*

## **Holidays**

*Things to consider:*

1. *Is there any minimum period of employment to acquire eligibility for pay for an unworked holiday?*
2. *Is payment for an unworked holiday conditioned upon the performance of work near the time of the holiday, such as on the workday before or after the holiday?*
3. *To what extent are unworked holidays to be paid for when they occur at times when an employee would not have worked for some reason unconnected with the holiday, such as during leaves of absence, vacations, jury service, disability, disciplinary suspension, layoff, etc.? Are part-time employees eligible for payment for unworked holidays, particularly where a holiday occurs on a day when they are not scheduled to work?*
4. *What payment will be made for working on a holiday?*

## **Payments During Inclement Weather and Emergencies**

*Policy statements on the subject of plant closing and payment of employees when snow storms or other emergencies make it difficult or impossible for employees to reach or remain at the workplace should address the following questions:*

1. *Will employees who do not report to work be paid*
  - *if the facility remains open all day?*
  - *if it is closed all day?*
2. *If the facility is open all day, will employees who come to work but leave early because of the adverse weather be paid for the lost time?*
3. *If the facility is closed for the day, how will employees be notified of the closing?*

## **Performance and Compensation Review**

The company's performance appraisal program is for the purpose of evaluating and documenting employees' strengths and those areas where improvement is needed. Particular attention is given to quality and quantity of work, dependability, attendance, initiative, effort and attitude.

The company normally conducts performance appraisals \_\_\_\_\_. However, it may conduct them more or less frequently, and it may in its discretion dispense entirely with an appraisal at any particular time.

Whether merit increases are given depends not only on the results of the performance evaluation but also on such factors as the company's financial situation and general business conditions. Therefore, no salary adjustments can be guaranteed.

## **Work Schedules and Timekeeping**

The normal schedule of working hours of regular employees consists of \_\_\_\_\_ days, \_\_\_\_\_ hours per day and \_\_\_\_\_ hours per week. There is a meal period of \_\_\_\_\_, and \_\_\_\_\_ break periods of \_\_\_\_\_ minutes each. Supervisors will inform their employees about the starting and stopping times of the workday and of these periods. This schedule is subject to change, depending on company requirements.

Each non-exempt employee is responsible for accurately recording his hours worked on time cards time sheets. The starting and stopping times of the meal period shall be recorded. Any corrections or additions which are needed must be approved by a supervisor.

An employee is prohibited from signing or making an entry on or altering the time record of another employee, or allowing this to be done to his own record by an employee other than his supervisor.

Lateness of \_\_\_\_\_ minutes or less will be disregarded for payroll purposes. If an employee is late more than \_\_\_\_\_ minutes, he will not be compensated for that time (and may be subject to disciplinary action). It is emphasized, however, that payment for the first \_\_\_\_\_ minutes of lateness is only for the purpose of simplifying payroll procedures, and each occurrence of lateness, regardless of the number of minutes involved, will become part of the employee's attendance/lateness record. Excessive lateness will not be tolerated.

Exempt employees who work partial days, shall have this time charged against any paid time off, whether vacation, sick or otherwise. In cases of lateness or early departure from work, the company reserves the right to charge an exempt employee's paid time off.

Absenteeism and lateness are two of the things which are most disturbing to the efficiency and morale of any enterprise. They affect every aspect of job management because planning, organizing, directing and coordinating must be revised daily and people and jobs shifted. This increases the cost of operation to the company and tends to reduce the morale of any group since few people like to carry another's burden in addition to their own. Also, excessive absenteeism and tardiness result in lack of promotion, lack of merit increase or other remedial action, including discipline or discharge.

An employee who anticipates being absent or late must notify his supervisor promptly, prior to the start of the workday if possible, on each day of absence or lateness. An absence without notification for 3 consecutive days may be treated as a resignation.

**Sick Leave**

When too ill to work, employees must call at least one hour before regularly reporting to work and inform \_\_\_\_\_ (the company, his/her supervisor, the HR office) of an absence due to illness. **[Employer Note: For employers covered by the Family Medical Leave Act (FMLA), if an employee anticipates being out for more than one day or on the second day of illness, it is recommended that HR be informed either directly by the ill employees or by his/her supervisor so that FMLA compliance requirements are easily met.]** Upon return to work, employees must fill out an absence form as soon as practicable and submit the form to \_\_\_\_\_. By signing the form, the employee certifies that he/she was unfit for work during the period of absence.

After three days or more of continuous absence, the Company will require the employee's treating physician to certify, in writing, that the employee was incapable of working due to illness during the period of absence and that the employee is now fit to resume working. Under no circumstances will the company request genetic information, including family medical history.

When job-related and consistent with business necessity, the Company may require a medical certification describing the nature of the illness and/or treatment. Typical situations when this request may be made include, but are not limited to, when the employee performs a safety-sensitive job or if the employee has been warned for excessive absenteeism or sick leave abuse.

**Sick Pay: Salary Continuation**

*Things to consider:*

- 1. Can sick leave be used in increments less than one-day? (For FMLA purposes, an employee on an intermittent or reduced leave can only use a partial sick day if otherwise allowed by the company).*
- 2. Is "sick pay" to be given for both occupational and non-occupational disabilities?*
- 3. Are amounts of TDB or Workers' Compensation benefits, if any, to be offset against the amount of sick pay?*
- 4. What disposition will be made of unused pay at year end; if accumulation is to be permitted, what limits? If an individual's employment is terminated at a time when he has unused sick pay to his credit, will he be entitled to be paid for such unused amount or is it forfeited?*
- 5. Does the policy statement explain that the purpose and effect of giving sick pay is only to afford some protection against loss of income and does not necessarily mean that absence will be treated as "excused" even though paid for?*
- 6. Will employees receive sick pay with respect to a period of time when they would not have worked had they not been disabled?*
- 7. Will employees be required to use sick leave during periods of unpaid FMLA or NJ Family Leave?*
- 8. Will employees be required to use such leave to substitute for the first two weeks of Family Leave Insurance?*

## **Bereavement Pay**

This refers to the allowance of a prescribed amount of time off from work, with pay, in the event of the death of a member of the employee's family.

### **Sample Funeral-Pay Provision**

Upon the death of (identify relatives, including domestic and civil union partners) an employee who has been employed (for at least \_\_\_\_\_) will, upon request, be granted time off from work to attend to those matters which arise from and are directly related to the death of such relative. The amount of time granted shall not exceed a period of three consecutive calendar days, terminating on the day of the funeral.

An employee shall be compensated during such absence to the extent of the time he loses from his scheduled hours of work, excluding as time lost all unworked holidays, vacation days, and all other times when for any reason he is unable to work or not scheduled to work.

## **Jury-Duty Pay**

*Payment to employees who perform jury service usually is regarded as protection against loss of compensation, rather than providing a windfall. Accordingly, the policy statement should make it clear that payment, if any, will be limited to those instances in which the hours of jury service coincide with or interfere with the time an employee would have worked but for the jury service.*

*It should also be specified whether the amount of payment will be the employee's customary salary, in full, or merely the difference between the amount of juror's fees and such salary.*

*While most jury service is of relatively short duration, some trials, particularly criminal cases, last for several weeks or even several months. If the employer does not wish to be obligated to continue payment without time limit, the policy must express for a limit.*

*Consideration should be given to the situation in which an employee who after reporting to court is excused or dismissed from jury service at a time of day when he is able to return to the workplace.*

## **Vacations**

*Things to consider:*

*1. In calculating an employee's length of service or seniority for vacation pay purposes will periods of leave of absence or other absences be deducted?*

*2. What pay rate will be used for calculating vacation pay? (E.g., when an employee received a pay increase (or decrease) shortly before taking vacation.)*

*Will the vacation pay include night-shift premium, if any?*

*3. Can vacation which is unused at year end be carried over into a subsequent year?*



4. *Will unused vacation pay be given at termination of employment or at layoff?*

*There is no statutory requirement to grant vacation pay upon termination of employment (or under any other circumstances), so payment, if any, may be made subject to conditions expressed in the vacation plan.*

*If the vacation plan specifies no conditions, then if an employee has reached the point where according to the terms of the plan he can take a paid vacation, if his employment terminates at that point, he is contractually entitled to the pay.*

*On the other hand, a vacation plan may provide that on termination of employment the vacation pay to which an employee's length of service otherwise entitles him will not be paid under specified circumstances.*

5. *Since salaries may be subject to reduction for business reasons, consider stating that vacation will be paid out at the employee's current rate of pay at the time the vacation is being taken.*

### **Sample Vacation Payout Provisions**

Upon termination of employment vacation pay will be given only in the case of involuntary termination because of job elimination, reduction in force or lack of work; resignation, provided advance notification of at least 3 weeks is given to the Executive Director or Assistant Director; or discharge for other than misconduct, and if the employee has been employed for at least one year on the effective date of discharge.

## **Disability Leave of Absence Policy (For All Companies Covered by the FMLA)**

ALL OF THIS INFORMATION MUST BE INCLUDED IN A COMPANY'S HANDBOOK TO SATISFY THE GENERAL NOTICE DISTRIBUTION REQUIREMENTS OF THE FMLA. Otherwise, each newly hired employee must be issued a copy of the DOL "Rights and Responsibilities" poster, WH-1420. Where a significant portion of workers are not literate in English, the information must be provided in a language in which the employees are literate.

### **Sample Policy**

The company will grant up to 12 week of unpaid, job-protected leave to eligible employees for an employee's serious health condition, as provided by the Federal Family and Medical Leave Act (FMLA).

A serious health condition is a physical or mental illness or injury that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that prevents an employee from performing the functions of his job. The "continuing treatment" requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or any period of incapacity due to pregnancy, prenatal care or childbirth, or a chronic condition.

To be eligible for FMLA leave, before the commencement of a leave an employee must have been employed by the Company for at least 12 months (these months need not be consecutive) and have had at least 1250 hours of service during the 12-month period immediately preceding the leave (\*special hours of service eligibility requirements apply to airline flight crew employees) and work at a job site which is within 75 miles of 50 or more employees.

Upon incurring a serious health condition and with proper notice an employee who is eligible for FMLA leave will be placed in leave-of-absence status. The company will inform the employee whether or not he is eligible under FMLA, the amount of leave that will be designated and counted against the employee's FMLA leave entitlement and other information. If the need for a leave is foreseeable, the employee must give 30 days' advance notice before taking the leave unless it is not practicable to give that amount of notice. If the need for a leave is not foreseeable, as much notice as is practicable must be given, which will usually be the day the need for leave is known to the employee. An employee must provide sufficient information for the Company to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform their job functions, the need for hospitalization or continuing treatment by a health care provider, etc. An employee must also inform the Company if the requested leave is for a reason for which FMLA leave was previously taken. Failure to provide proper and timely notice may result in the delay or denial of a leave. The notice shall be given to \_\_\_\_\_ (here the Company should insert details of the normal "call-in" or other notification procedures that an employee must follow).

The Company may require that a certification from a health-care provider be submitted. It must be provided within 15 days after it is requested, unless it is not practicable to do so within that time; in that case it must be submitted as soon as it is practicable. If it is not timely submitted, the leave or continued leave can be delayed or terminated.

Under no circumstances shall the company request a certification that reveals genetic information, including family medical history.

Subsequent certifications or recertifications of medical conditions may be required during the leave.

An employee does not have to use his entire leave entitlement in one block. Leave can be taken intermittently or on a reduced schedule in as little as one-hour increments (Company should modify if their other leave policies allow for a shorter increment) when medically necessary. An employee must make reasonable effort to schedule planned medical treatment so as not to unduly disrupt Company operations.\*

\*There are certain limitations on intermittent/reduced leaves and leaves taken near the end of an academic term for instructional employees of local educational agencies; public and private elementary and secondary schools.

The maximum amount of leave allowed by the FMLA is 12 weeks in a 12-month period. (Included in the 12 weeks is the amount of any leave taken for some other purpose which is allowed in the FMLA, such as a leave to provide care to a family member.) The 12-month period is the year beginning on the date that FMLA leave is first taken by an employee; the next and subsequent 12-month periods would begin the first time that FMLA leave is taken after the conclusion of any previous 12-month period. (If your company uses another qualified method to calculate the leave period, substitute it here.)

If because of a change in circumstances occurring during a leave, an employee needs either a longer or shorter period of leave than was originally anticipated, its duration may be changed accordingly, provided any additional time allowed does not extend the period of the leave beyond the specified maximum duration, and provided further that notification is given to the company within 2 business days after the occurrence of the changed circumstances where the change was foreseeable; otherwise as soon as practicable.

The period of leave otherwise available will end sooner when the Company ascertains, during a leave, that the employee does not intend to return from leave.

The Company may require or the employee may elect that all accrued, paid leave (such as vacation and medical/sick leave) be used as part of, but not in extension of, an unpaid disability leave. The company and the employee may also agree to supplement any paid disability leave (TDB or WC) with their accrued paid leave. (Here the company may want to insert any requirement).

The period of the leave (will) (will not) be counted in the calculation of an employee's seniority or length of service.

During that part of the leave which is required by the FMLA (but not thereafter) the Company will continue the group health insurance of a covered employee on the same terms and conditions as before the leave, provided the employee pays his share of the cost. An employee may become obligated to repay the Company for premiums paid or cost incurred to continue health insurance and other group insurance in force during the leave. Use of FMLA leave will not result in the loss of any benefit accrued prior to the start of the leave.

The Company will observe all FMLA requirements concerning reinstatement to employment at the conclusion of a leave. Generally, an employee who is able to perform all of the essential functions of the position he left has the right to be restored to that position or to an equivalent one unless during the leave the Company experienced a reduction in force which would have resulted in the employee's layoff or loss of employment had he not been on leave of absence. Such circumstances immediately end all leave entitlements. Certain high-salaried employees under some circumstances may be denied reinstatement.

However, an employee has reinstatement rights under the FMLA only if he returns from leave (or resumes normal and regular working hours, if leave was taken on an intermittent or reduced-hours basis) at the conclusion of the period of leave to which he is entitled under the FMLA, regardless of any extension of such period that the Company granted or allowed. Otherwise, reinstatement will depend upon such factors as the employee's previous record, whether he has been replaced, workforce requirements, and general business conditions.

The Company will observe any applicable requirements of the Americans With Disabilities Act and the New Jersey Law Against Discrimination, including consideration of granting additional time off, if reasonable and not an undue hardship, provided the employee must make this request in writing at least 14-days prior to the expiration of FMLA, or as soon as practicable. It is unlawful for the Company to interfere with, restrain or deny any right provided under the FMLA or to discharge or discriminate against anyone for opposing any practice which violates the FMLA or for participating in any FMLA proceeding. An employee may file a complaint with the US Department of Labor or may bring a private law suit.

Upon returning to work following a leave of absence, other than an intermittent leave, all employees must submit a fitness-for-duty certification from a medical provider. Failure to submit this certification will result in the delay or denial of reinstatement.

## **Sample Family Leave Policy for Other than the Employees Disability**

### **For employers covered by both federal and New Jersey family-leave laws**

ALL OF THIS INFORMATION MUST BE INCLUDED IN A COMPANY'S HANDBOOK TO SATISFY THE GENERAL NOTICE DISTRIBUTION REQUIREMENTS OF THE FMLA. Otherwise, each newly hired employee must be issued a copy of the DOL "Rights and Responsibilities" poster, WH-1420. Where a significant portion of workers are not literate in English, the information must be provided in a language in which the employees are literate. Similarly, the NJ Family Leave Act requires informational notice either in a handbook or distributed to all employees.

### **Sample Policy**

When required by either the federal Family and Medical Leave Act (FMLA) or the New Jersey Family Leave Act the Company will grant an employee a family leave of absence of up to 12 weeks, without pay, although an employee may be eligible to receive Family Leave Insurance (FLI). See FLI Policy.

Leave may be taken under both the federal and State laws to provide care to an employee's child after birth or placement for adoption, or to provide care to a family member who has a serious health condition. A serious health condition is a physical or mental illness or injury that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that prevents a family member from performing their daily activities. The "continuing treatment" requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or any period of incapacity due to pregnancy, prenatal care or childbirth, or a chronic condition.

A family member is an employee's child (who is either under age 18 or incapable of self-care because of an impairment), parent or spouse. A spouse is a husband or wife as recognized in the state where the individual was married ("place of celebration"), including common law and same sex marriages. In addition, the federal law provides for a leave upon the placement of a child for foster care, while the State law includes a partner in a civil union, and parent-in-law in the definition of family member.

The federal law also allows leave for certain qualifying exigencies arising from a family member's military service or to care for a covered servicemember with a combat related injury or illness who is a family member (including a person to whom the employee is next-of-kin and a child of any age). A qualifying exigency, such as attending certain military events, arranging for alternate childcare or eldercare, addressing certain financial or legal arrangements, attending counseling sessions or post-deployment briefings would qualify an eligible employee for FMLA leave if such was needed with respect to a spouse, son, daughter, or parent on covered active duty status in the regular or reserve Armed Forces. Certain exigency leaves are limited: short-notice deployment (7 days), rest and recuperation leave (15 days).

A "covered service member" for whom an employee could provide care is a current member or recent veteran (generally one discharged within the last 5 years) of the Armed Forces, including the National Guard or Reserves, who has a serious injury or illness incurred or aggravated in the line of duty on active duty that may render the servicemember medically unfit to perform their duties and for which they are undergoing medical treatment, recuperation or in outpatient status, or is on the temporary disability retired list. This definition of serious injury or illness is distinct from serious health conditions under the FMLA.

To be eligible for a leave under the State law, before the commencement of the leave an employee must have worked in New Jersey for the Company for at least one year (this does not have to be a consecutive 12 months) and worked at least 1,000 base hours during the 12-month period immediately preceding the leave. To be eligible under the federal law an employee must have been employed by the Company for a year, have at least 1,250 hours of service during the 12-month period immediately preceding the leave (\*special hours of service eligibility

requirements apply to airline flight crew employees), and work at a job site within 75 miles of 50 or more employees. An employee may meet the eligibility requirements of one of these two laws but not the other, or he may meet the requirements of both.

Upon incurring a need for a family leave and with proper notice an employee who is eligible will be placed in leave-of-absence status. The company will inform the employee whether or not he is eligible under FMLA, the amount of leave that will be designated and counted against the employee's FMLA leave entitlement and other information.

Where a leave is available to an employee under either or both the federal and State laws, ordinarily at least 30 days' advance notice is required for all leaves. However, lesser notice, which will usually be the day the need for the leave is known to the employee, will be allowed where it is not practicable to give the specified amounts of notice, or for military exigencies. An employee must provide sufficient information for the Company to determine if the leave may qualify for federal FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that a family member is unable to perform their daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting a qualifying exigency, etc. An employee must also inform the Company if the requested leave is for a reason for which FMLA leave was previously taken. Failure to provide proper and timely notice may result in the delay or denial of a leave. The notice shall be given to \_\_\_\_\_. (here the Company should insert details of the normal "call-in" or other notification procedures that an employee must follow).

The Company may require that a certification from a health-care provider be submitted. It must be provided within 15 days after it is requested, unless it is not practicable to do so within that time; in that case it must be submitted as soon as practicable, otherwise the leave or continued leave can be delayed or terminated. For exigency leaves, certification regarding a family member's military service may be required.

Subsequent clarifications or recertifications of medical conditions may be required during the leave.

Family leave due to the birth or placement of a child may be taken only in a continuous period, and must be completed within one year after the birth or placement (federal law) or commenced within one year after the birth or placement (State law). Leave due to the serious health condition of a family member, to care for an injured or ill servicemember, or for military exigencies may be continuous, intermittent, or in the form of a reduced work schedule. An employee who needs an intermittent or reduced leave must attempt to schedule it so as not to disrupt operations, and, if relevant, there must be a medical necessity for taking the leave in such a manner.\*

\*There are certain limitations on intermittent/reduced leaves and leaves taken near the end of an academic term of an instructional employees of local educational agencies; public and private elementary and secondary schools.

The maximum amount of leave allowed by the federal law is 12 weeks in a 12-month period (26 weeks in a "single" 12-month period if caring for an injured or ill servicemember), counting all leaves taken under that law (including leaves taken for an employee's own serious health condition). The State-law maximum is 12 weeks in a 24-month period for all leaves which are available under that law.

However, where a husband and wife work for the Company and both are eligible for FMLA leave, the maximum amount of leave to which they are entitled under the FMLA is a combined total of 12 weeks in a 12-month period where it is taken for the birth, placement or adoption of a child or to care for an employee's parent, and 26 weeks when taken to care for an injured or ill servicemember.

A leave taken for a purpose which is authorized under both the federal and State laws will count simultaneously against the 12-week allowance under each law. However, a leave taken for a purpose which is authorized under only one of these laws counts against the 12-week allowance under that law alone.

The 12-month period in the federal law is the year beginning on the date that FMLA leave is first taken by an employee; the next and subsequent 12-month periods would begin the first time that FMLA leave is taken after the conclusion of any previous 12-month period. The 24-month period in the State law is similarly calculated. (if your company uses another qualified method to calculate the leave period, substitute it here.)

If because of a change in circumstances occurring during an FMLA leave, an employee needs either a longer or shorter period of leave than was originally anticipated, its duration may be changed accordingly, provided any additional time allowed does not extend the period of the leave beyond the specified maximum duration, and provided further that notification is given to the company within 2 business days after the occurrence of the changed circumstances where the change was foreseeable; otherwise as soon as practicable.

The period of leave otherwise available will end sooner when the Company ascertains, during a leave, that the employee does not intend to return from leave.

The Company may require or the employee may request that all accrued, paid leave be used as part of, but not in extension of, the period of the unpaid leave of absence. The Company and the employee may also agree to supplement any paid leave with their accrued paid leave. (Here the company may want to insert any requirements).

The period of the leave (will) (will not) be counted in the calculation of an employee's seniority or length of service.

During that part of the leave which is available under the federal law (but not thereafter) the company will continue the group health insurance of a covered employee on the same terms and conditions as before the leave, provided the employee pays his share of the cost. An employee may become obligated to repay the Company for premiums paid or cost incurred to continue health insurance and other group insurance in force during an FMLA leave. Use of FMLA leave will not result in the loss of any benefit accrued prior to the start of the leave.

The Company will observe all of the requirements of the FMLA and the New Jersey Family Leave Act concerning reinstatement to employment at the conclusion of a leave. Generally, an employee who is able to perform all of the essential functions of the position he left has the right to be restored to that position or to an equivalent one unless during the leave the Company experienced a reduction in force which would have resulted in the employee's layoff or loss of employment had he not been on leave of absence. Such circumstances immediately end all leave entitlements. Certain high-salaried employees under some circumstances may be denied leave or reinstatement from leave.

However, an employee has reinstatement rights under these laws only if he returns from leave (or resumes normal and regular working hours, if leave was taken on a intermittent or reduced-hours basis) at the conclusion of the period of leave to which he is entitled under these laws, regardless of any extension of such period that the Company granted or allowed. Otherwise, reinstatement will depend upon such factors as the employee's previous record, whether he has been replaced, workforce requirements, and general business conditions.

It is unlawful for the Company to interfere with, restrain or deny any right provided under the FMLA or to discharge or discriminate against anyone for opposing any practice which violates the FMLA or for participating in any FMLA proceeding. An employee may file a complaint with the US Department of Labor or may bring a private lawsuit.

**Disability Leave of Absence Policy (For Employers Not Covered by FMLA)**

1. Ordinarily, an employee who becomes unable to work because of disability (injury or sickness) will be placed in a leave-of-absence status.
2. If possible a leave of absence may be granted for a reasonable amount of time. Whether a leave will be granted depends on varying factors, including, but not limited to, length of service of employee, workforce requirements, date of return, or whether any other alternative is just as effective.
3. Employees that request a leave of absence may be required to submit medical documentation as to the nature and probable duration of the disability, although under no circumstances shall the company request genetic information, including family medical history. Where a disability is foreseeable, such as in the case of pregnancy, the Company may request an estimate from a health-care provider of the date when the employee will cease work. Medical documentation shall be treated confidentially to the extent provided by law.
4. All accrued, paid leave (such as vacation and medical/sick leave) must be used as part of the leave.
5. During the course of the leave, employees (shall) (shall not) accrue paid time off or credit towards seniority or length of service, shall not be eligible for holiday pay, and may forfeit any bonus.
6. The Company will discontinue all group insurance during the leave, except \_\_\_\_\_, and subject to the requirements of COBRA.

-OR-

(Alternate #6.) While an employee is on leave, the Company will continue all of the following group insurance on his behalf for a maximum period of \_\_\_\_\_ months in any 12-month period, except that it will not be continued unless at the time of commencement of the leave the employee has been employed for at least \_\_\_\_\_ months, and provided the employee pays his share of the cost of the insurance.

7. Best efforts shall be made to reinstate employees to the same or similar job. However, reinstatement is not guaranteed, and it may depend upon such factors as the employee's previous record, workforce requirements, general business conditions, and requirements of law.

### **Family Leave Policy (For employers covered by the NJ law only)**

When required by the New Jersey Family Leave Act, the Company will grant a family leave of absence without pay for a maximum of 12 weeks in any 24-month period\* to an employee who was hired at least one year before commencement of the leave and who has worked for the Company for at least 1,000 base hours during the twelve-month period immediately preceding the leave.

Family leave may be taken only for the birth or adoption of a child, or to provide care to a family member who has a serious health condition. A family member is an employee's child (who is either under age 18 or incapable of self-care because of an impairment), spouse civil union partner or parent. "Parent" includes a parent-in-law and certain other persons who have a parental relationship.

An employee who wishes to take a family leave must give advance notice of at least 30 days. However, if unexpected circumstances prevent giving that much notice, as much notice as is possible under the circumstances must be given. This notice must be in writing unless unexpected circumstances make it impractical to give written notice within these time periods; in that case oral notice will be accepted provided that it is confirmed thereafter in writing. The notice must be given to \_\_\_\_\_.

Leave may be denied to certain high-salaried employees.

The Company may require medical certification of the event necessitating the leave.

Family leave due to the birth or adoption of a child may be taken only in a continuous period and must begin within one year of the birth or adoption. Family leave due to the serious health condition of a family member may be taken continuously, intermittently, or as a reduced work schedule. Leave taken on an intermittent basis must be completed within one year for each episode. Leave taken on a reduced schedule must be completed within twenty-four weeks. A reasonable effort must be made to schedule any intermittent or reduced-schedule leave so as not to disrupt unduly the Company's operations. If such leaves do not exhaust the 12-week entitlement, any remaining time may be taken for other qualifying reasons during the 24-month period.

All accrued, paid leave must be used as part of the period of the leave of absence.

While on family leave (all group insurance will be discontinued) (the following group insurance will be continued for \_\_\_\_\_.)

At the conclusion of the family leave, generally an employee will be returned to his former position or to an equivalent one unless during the leave he would have been laid off due to a reduction of the workforce.

Another full-time job may not be commenced during the leave of absence. Part-time work is permitted, within limits.

Where the leave is taken in a continuous period, failure to apply for reinstatement at its conclusion may result in discharge. If it is taken as an intermittent leave or as a reduced work schedule, failure to return and observe normal and regular working hours at the conclusion of the leave may result in discharge.

\*define how the company calculates the 24-month period (see Employment Laws page 41)



## **Return to Work After a Disability Leave of Absence**

As a condition of continued employment, employees must submit medical documentation prior to returning to work certifying that he or she can safely perform the essential functions of the job, with or without a reasonable accommodation. Such certification should be limited solely to the disability for which the leave was granted. If an employee requests an accommodation, he or she must notify the company at the earliest possible date, in most instances no later than three business days prior to return. Requests may include temporary modified work duties, reassignment, scheduling changes or any other request of a temporary nature, including changes in the work environment. While most accommodations are temporary, the Company will consider requests for accommodations that are permanent.

In order to evaluate the request, the company may require additional medical documentation. Requests for additional medical documentation in most cases will be directed to the employee's health care provider. However, the company reserves the right to obtain the opinion of another health care provider, at the company's expense. In such a case, the employee will be required to submit to a medical interview and/or examination. In all cases, such medical documentation shall be used for the administering of this policy and will be treated confidentially to the extent required by law.

Requests for accommodation will be evaluated on the basis of reasonableness and effectiveness. When requests are declined as unreasonable or on the basis of an undue hardship, the company will use its best efforts to engage the employee in a dialogue to explore alternatives and options. As part of this process, employees may be required to grant the company permission to speak or correspond directly with his/her health care provider.

If at any time the company has direct evidence that a medical condition or disability is impairing an employee's ability to perform his/her job or poses a direct threat, the employee will be required to submit to a medical interview and/or examination. In cases where competent medical opinion finds that an employee poses a direct threat to him/herself or others, the company will use its best efforts to eliminate or reduce the threat.

Under no circumstances shall the company request any medical documentation or opinion that includes genetic information, including family medical history.

Failure to report to work at the conclusion of the leave of absence, including any extension of such leave, shall be considered a voluntary termination by the employee.

**Personal or Family Leave of Absence (not required by law)**

A leave of absence for personal reasons may be granted at the discretion of the Company. Reasons for a leave include, but are not limited to, bonding with a newborn or newly adopted child, or caring for a family member, including a same-sex domestic or civil union partner. Ordinarily, the company requires thirty (30) days notice, unless an emergency or unforeseen circumstance warrants otherwise. Whether the leave will be granted, and its duration, will depend upon such factors as the reason for the leave, the need for the employee's services, and the employee's previous record. In no case, however, may the duration of the leave exceed \_\_\_\_\_ weeks, unless a longer period is approved by the employee's department head.

Whether or not a leave is granted, eligible employees may receive Family Leave Insurance for up to six (6) weeks. Please see the Family Leave Insurance Benefits policy. An employee must have been employed for \_\_\_\_\_ months to be entitled to a leave of absence.

During the leave the Company will discontinue all group insurance (subject to COBRA).

-OR-

During the leave the Company will continue all group insurance for a maximum period of \_\_\_\_\_ months in any 12-month period, provided the employee pays his share of the cost, and provided further, that such payment will not be made unless at the time of commencement of the leave the employee has been employed for at least \_\_\_\_\_ months. All accrued paid leave (such as vacation and medical/sick leave) must be used as part of the personal leave.

The period of an employee's leave of absence (will) (will not) be credited toward the calculation of his seniority or length of service.

An employee who engages in employment with another employer or in self-employment during the leave or who overstays the period of the leave will be subject to discipline or termination.

When requesting a leave to care for an ill or disabled family member, the company requires written certification from a health care provider stating:

- 1) the date, if known, on which the illness or disability commenced,
- 2) the probable duration of the condition,
- 3) the medical facts within the knowledge of the provider regarding the condition,
- 4) a statement that the condition warrants the care of the employee,
- 5) an estimate of the amount of time the employee is needed to care for the family member,
- 6) a statement of medical necessity, if the request is for time off on an intermittent basis, and
- 7) the dates of medical treatment, if the request is for time off on an intermittent basis.

The company may verify other aspects of the leave, including, but not limited to, marital status, birth, adoption, family relation, or civil union status.

All documents required by the company, including but not limited to medical certifications, shall be in English.

## **Military Leave of Absence**

Generally speaking, the Uniformed Services Employment and Reemployment Act (USERRA) protects the job rights of individuals who voluntarily or involuntarily leave a position (other than a temporary position) for the purpose of performing military service or certain types of service in the National Disaster Medical System. Upon reemployment, individuals will be restored to their job or the job they would have attained had they not been out on leave or, in some cases, a comparable job unless changed circumstances make reemployment impossible or unreasonable. Also, the returning employee must satisfy requirements as to timeliness of application for reemployment, duration of military service, and satisfactory completion of such service.

Employees who perform military training duty at summer encampment or the equivalent will also be granted a leave of absence for such purpose.

During a military leave of absence, you have the right to elect to continue your health benefits for you and your dependents for up to 24 months. If you choose not to continue the employer-based plan, your benefits will be reinstated upon reemployment, generally without any waiting periods or exclusions.

The Company will comply with all legal obligations with respect to restoring the employment and benefits to one who has left the Company to perform military duty or training.

For more information, please contact \_\_\_\_\_ in human resources.

## **Domestic Violence Leave (NJ SAFE Act)**

The New Jersey Security and Financial Empowerment Act (NJ SAFE) requires up to 20 days of unpaid, job protected leave to an employee who is a victim of certain instances of domestic violence or sexual assault or whose family member is a victim. A family member is a child, parent, spouse, civil union or domestic partner.

The company will grant a leave to an employee under this SAFE Act if needed for the purpose of seeking medical attention or counseling, obtaining services from a victim's service organization, acquiring legal assistance, participating in court actions, or similar activities to increase safety because of the violence or assault. Certification of the offense or of the need for the leave will be required. All documentation and other information regarding the leave will be kept strictly confidential.

An employee is eligible to use this leave time for a qualifying reason if that employee has been employed by the Company for one year and has worked at least 1000 hours in the past 12 months. The employee must request the leave in writing as far in advance as is possible. Such notice should be given to \_\_\_\_\_. If advance notice cannot be given, the employee must follow the company's usual call-in procedures and follow-up with the written request as soon as reasonable.

This leave can be taken consecutively, or in increments of one full day or more. Up to 20 days of leave may be granted for each incident of domestic violence or sexual assault and must be taken within the 12 month period following the incident. Although subsequent incidences can qualify an employee for an additional 20 days of leave, in no case can more than 20 days be taken in any 12 month period.

An employee will/will not be required to use their accrued paid leave as part of, but not an extension of, this unpaid leave. If the reason for this leave is also covered under the Federal Family and Medical Leave Act and or the NJ Family leave Act, the time will count simultaneously against the employee's entitlement under each such law.

Group health insurance will/will not be continued during the leave time, (or, under the terms of our group health plan, insurance will be continued for an absence of less than \_\_\_\_\_days) subject to FMLA and COBRA requirements. Any benefits accrued prior to the leave will not be reduced.

## Family Leave Insurance Benefits

Eligible employees who are granted time off to bond with a newborn or newly adopted child, or to participate in the care of a family member with a serious health condition may receive Family Leave Insurance (FLI) for up to six weeks. FLI is funded through an employee payroll tax and is provided under a plan administered by the state of New Jersey.

A serious health condition as defined by FLI regulations, which also requires employees to provide a medical certification from a health care provider as part of his or her claim for insurance. The state of New Jersey may also require, among other things, a valid social security number.

For the purposes of FLI, "family member" means: a child (biological, adopted, foster, step-child, or legal ward) of an employee, or a child of a same-sex domestic partner or civil union partner of an employee who is less than nineteen (19) years of age, or who is 19 years of age or older if incapable of self care because of a physical or mental impairment; a spouse, same-sex domestic partner, or civil union partner of an employee; or a parent (biological, foster, adoptive, or step-parent, or a person who was legal guardian) of an employee.

FLI can be paid on a consecutive or intermittent basis for up to six weeks within a twelve (12) month period (the 365 consecutive days that begin with the first day an employee establishes a valid first claim for FLI). For the purpose of bonding with a newborn or newly adopted child, FLI can only be paid on a consecutive basis. **[Employer Note: The employer may permit FLI on an intermittent basis for this reason, but does not have to.]**

FLI can be paid on intermittent basis to care for a family member with a disability only when medically necessary and when the employee has made a reasonable effort to schedule time off so as not to disrupt the Company's operations.

Employees must actually participate in providing care to a family member with a disability to be eligible for FLI, which includes, but is not limited to, physical care, assistance in treatment, and assistance with essential daily living matters.

### Employee Must Give Notice to the Company

To be eligible for FLI for the purpose of bonding with a newborn or newly adopted child, employees must give no less than thirty (30) days notice. Failure to provide such notice may result in a reduction in insurance benefits.

To be eligible for FLI on an intermittent basis, employees must give the Company no less than fifteen (15) days notice, unless an emergency or unforeseen circumstances precludes such notice. To be eligible for continuous time to care for a family member, notice must be given in a reasonable and practicable manner, unless emergency or unforeseen circumstances precludes such notice.

### Use of Paid Time Off

Before receiving FLI, the Company **(will) (will not)** require employees to use up to two weeks of paid time off, thus reducing the state-paid benefits proportionately.

## **Americans with Disabilities Act (ADA)**

The ADA prohibits employment discrimination against "qualified individuals with disabilities." A qualified individual with a disability is: an individual with a disability who is qualified for (meets the skill, experience, education, and other job-related requirements) a position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of a job.

Requests for accommodations should be made at the earliest possible date, in most instances no later than three business days prior to the date by which an accommodation is needed. In order to verify a disability or to evaluate such a request, the company may require the submission of relevant medical documentation. Such documentation shall be used only for this purpose and will be treated confidentially to the extent required by law.

While most accommodations are temporary in nature, the company will consider requests for accommodations that are permanent. In either case, requests will be evaluated on the basis of reasonableness and effectiveness. When requests are declined as unreasonable or on the basis of undue hardship, the company will use its best efforts to engage the employee in a dialogue to explore alternatives and options. As part of this process, employees may be required to grant the company permission to speak or correspond directly with his/her health care provider.

### **Medical Examinations**

When the company has direct evidence that a medical condition or disability is impairing, or may impair, an employee's ability to perform his/her job or poses a direct threat, the employee will be required to submit to a medical interview and/or examination. Under no circumstances shall the company request genetic information, including family medical history. Any medical reports or documentation shall be treated confidentially to the extent required by law. In cases where competent medical opinion finds an employee poses a direct threat to him/herself or others, the company will use its best efforts to eliminate or reduce the threat.

### **Alternative (Basic Policy)**

The Americans with Disabilities Act (ADA) prohibits employment discrimination against "qualified individuals with disabilities." A qualified individual with a disability is: an individual with a disability who is qualified for (meets the skill, experience, education, and other job-related requirements) a position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of a job.

Requests for accommodations should be made at the earliest possible date, in most instances no later than three business days prior to the date by which an accommodation is needed. In order to verify a disability or to evaluate such a request, or for other reasons, the company may require the submission of relevant medical documentation or an employee may be required to submit to a medical examination.

## **Accommodations for Religious Practices**

The company will make every effort to accommodate an employee's sincere religious beliefs and/or practices, unless to do so creates an undue hardship, which includes but is not limited to, unreasonable expense or difficulty, unreasonable interference with the safe and efficient operation of the workplace, or a violation of a bona fide seniority system [or collective bargaining agreement.]\* Where time off is a reasonable accommodation, the company may require the employee to make up the time at some other mutually convenient time, or the time off can be charged as paid time off, other than sick leave. Any absence not made up or charged as paid time off, will be treated as unpaid time off. If, as a reasonable accommodation, a scheduling change results in an employee working a shift that entitles the employee to premium wages or benefits, the company will not make such pay or provide such benefits, unless provide by law [or a collective bargaining agreement.]\*

\*For union shops only

## **Workplace Violence**

The company prohibits violence in the workplace. Violence can take many forms, including hostile or threatening language, assault, stalking or any conduct that causes physical or mental harm.

The purpose of this policy is to make certain that employees are not subject to violent conduct and to maintain a safe workplace. Every employee shares the responsibility to achieve this purpose.

If you believe that this policy has been violated in any way, you should immediately report such conduct to your supervisor. If you feel uncomfortable bringing the matter to your supervisor, or if your supervisor is thought to be involved in violating this policy, you may contact the Personnel Department. The company will treat the matter confidentiality, to the extent possible under the circumstances. Please note that an employee need not be the actual target of violent conduct to bring any matter to the attention of a supervisor or the Personnel Department.

Employees may voluntarily disclose the existence of a protective or restraining order. However, in cases where a co-worker, or any other person who has a relationship with the Company, including but not limited to a vendor or customer, is subject to such an order, or where a protective or restraining order lists the workplace as a protected area, employees are required to provide the company with a copy of such order.

In determining whether this policy has been violated, the totality of the circumstances, including the nature of the conduct and the context within which the conduct occurred will be considered. However, this policy is not designed or intended to limit the company's authority or discretion to make any and all employment decisions, including decisions about discipline, discharge or other corrective action, concerning employee conduct the company deems unacceptable, regardless of whether that conduct is violent.

## **Drug and Alcohol Policy**

The Company has a vital interest in providing safe and healthy working conditions for its employees, and in maintaining high standards of efficiency. It is, therefore, committed to maintaining a workplace free from the influence of illegal drugs and alcohol.

The use of illegal drugs is inconsistent with law-abiding behavior expected of all persons. Employees who use illegal drugs or abuse alcohol tend to be less productive, less stable, and prone to greater absenteeism. They may pose a risk to the health and safety of themselves, their co-workers, and others. This is true whether such use occurs on duty or off duty because many illegal drugs can remain in the system for long periods of time after last being used.

### ***Optional:***

#### **Assistance in Overcoming Alcohol and Drug Problems**

Early recognition and treatment for alcohol abuse or illegal drug use are important for successful rehabilitation and for reduced personal, family, workplace and social disruption. The company encourages the earliest possible diagnosis and treatment for alcohol or illegal drug use and, whenever feasible, will assist employees in overcoming drug or alcohol problems. However, the decision to seek diagnosis and accept treatment is primarily the individual employee's responsibility. Employees who voluntarily request assistance may do so without jeopardizing their continued employment, provided their request is timely made, and provided they strictly adhere to the terms of their treatment and/or counseling program. Any such program will require, at a minimum, the immediate cessation of any use of alcohol or illegal drugs.

The following are violations of the Company's Drug and Alcohol Policy:

1. The unauthorized possession of an illegal drug or alcohol on Company premises, in a Company vehicle or during working hours (including meal periods);
2. The sale or attempted sale, distribution or manufacture of an illegal drug on or off Company premises;
3. Reporting to work or being at work under the influence of alcohol or illegal drugs. ("Under the influence" of alcohol is defined as a blood alcohol content of .04. "Under the influence" of an illegal drug is defined as testing positive.);
4. Storing alcohol, any illegal drug, or drug paraphernalia, in a locker, desk, automobile or other area on Company premises;
5. Conviction, guilty plea or court-ordered drug program for a drug offense or failure to notify the Company within 5 days after such event;
6. Failure to adhere to the requirements of any drug or alcohol treatment or counseling program in which the employee is enrolled.

### **Inspections**

The Company may at any time conduct inspections of the property and personal effects of employees for the purpose of determining whether there are or have been violations of the Drug and Alcohol Policy. This includes but is not limited to property contained in desks,

lockers, vehicles, purses, brief cases, packages, lunch boxes, and clothing. If an employee's consent to such inspection is requested, a refusal to consent will be a violation of this policy.

## **Testing**

Any employee may be required to submit a urine and/or blood sample for testing for illegal drugs or alcohol in any of the following circumstances:

1. When a supervisor or managerial employee observes that the conduct, reactions, job performance, work habits, physical symptoms, or appearance of the employee are indicative of the use or being under the influence of illegal drugs or alcohol while on the premises or during working hours.
2. When a supervisor or managerial employee receives information from a source deemed credible that an employee used or is under the influence of illegal drugs or alcohol while on the premises or during working hours or immediately before reporting to work.
3. When an employee is involved in an accident or incident during working hours which caused or contributed to substantial injury to person or property (or had the potential for doing so), or where there is evidence that the accident may have resulted, in whole or part, from the use of illegal drugs or alcohol.

### ***Optional:***

#### **Random Testing: Safety Sensitive Jobs**

An employee in a safety-sensitive position may be required to submit a urine and/or blood sample for testing for illegal drugs or alcohol at any time and for any reason and without advance notification. The following positions have been determined to be "safety-sensitive":  
*[List jobs here]*

#### **Testing Administration**

Drug testing will be conducted by an outside agency with which the Company has an agreement for this purpose. Testing will be conducted for the presence of illegal drugs and/or alcohol only, and for no other purpose. A copy of the testing protocol, including chain of custody and specimen handling may be obtained from \_\_\_\_\_.

#### **Authorized Use of Prescribed Medication**

An employee undergoing prescribed medical treatment with any drug which may interfere with his or her ability to perform the essential functions of the job may voluntarily disclose this treatment to the \_\_\_\_\_. If necessary, the Company will seek medical consultation or obtain medical documentation to determine whether to provide a reasonable accommodation to permit the employee to perform the essential functions of the job. Such consultation and/or documentation will be treated confidentially to the extent required by law.

#### **Consequences of Violation of this Policy**

Violation of the Drug and Alcohol Policy may result in disciplinary action, including discharge for a first offense, at the Company's sole discretion. In addition, the Company may, in its sole discretion, require an employee to successfully complete a treatment and/or counseling program for alcohol abuse or illegal drug use as a condition of employment.



An employee who uses alcohol or illegal drugs while undergoing company-required counseling and/or treatment for alcohol abuse or illegal drug use may be subject to disciplinary action, including discharge. Employees who undergo counseling and treatment and who continue to work must meet all other established standards of conduct and job performance. Further, additional testing on a random basis for a period of time established by the Company may be a condition of continued employment.

### **Condition of Employment**

Compliance with the Drug and Alcohol Policy is a condition of employment or continued employment. Failure or refusal of an employee to cooperate fully, sign any required document, submit to any inspection or test, or follow any prescribed course of substance abuse treatment may be grounds for termination.

### **Reservation of Rights**

The Company reserves the right to interpret, change, rescind or depart from this policy in whole or in part, without notice. Nothing in this policy alters an employee's at-will status.

*\* This policy may be used in general workplaces not subject specifically to US Department of Transportation regulations.*

## **Drug and Alcohol Policy (for Companies subject to Department of Transportation Regulations)**

*For legal and other reasons, it is important to include some provision in an employee handbook on the subject of drugs and alcohol in the workplace.*

*While, with some exceptions, testing employees for substance abuse is not mandatory, it should be recognized that a program which does not include provision for testing and which merely prohibits "being under the influence" or "impaired" may be reasonably effective with respect to users of alcohol, it will be of limited effectiveness against users of drugs. Not only are these terms imprecise, but it is extremely difficult even for trained observers to detect or identify the symptoms or effects of drug use. Some symptoms and behavior typically associated with drug use can be the result of circumstances that are not drug-related.*

*If a testing program is adopted, it must identify the categories of employees who will be subject to testing, describe the circumstances under which they will be tested, specify the consequences of an adverse ("positive") test result and the consequences of refusing to consent to or submit to a test. Also, it is advisable to explain how the sample will be analyzed and to warn employees of the lingering effects of certain drugs in the system.*

### **Statement of Purpose**

ABC Company has a vital interest in providing safe and healthful working conditions for its employees, and in maintaining high standards of efficiency. It is, therefore, committed to maintaining a workplace free from the influence of drugs and alcohol.

The use of illegal drugs is inconsistent with law-abiding behavior expected of all persons. Employees who use illegal drugs or abuse alcohol tend to be less productive, less stable, and prone to greater absenteeism. They may pose a risk to the health and safety of themselves and their co-workers. This is particularly true in the case of drug use, whether it occurs on duty or off duty because many drugs can remain in the system for long periods of time after last being used.

### **Assistance in Overcoming Alcohol and Drug Problems**

Early recognition and treatment for alcohol or drug use are important for successful rehabilitation and for reduced personal, family, workplace and social disruption. The company encourages the earliest possible diagnosis and treatment for alcohol or drug use and whenever feasible will assist employees in overcoming drug or alcohol problems. However, the decision to seek diagnosis and accept treatment is primarily the individual employee's responsibility. Employees who voluntarily request assistance may do so without jeopardizing their continued employment, provided their request is timely made, and provided they strictly adhere to the terms of their treatment and counseling program. This program will require, at a minimum, the immediate cessation of any use of alcohol or drugs.

### **Policy Violations**

The following are violations of the company's Drug and Alcohol Policy:

1. Reporting to work or being at work with alcohol or illegal drugs in the system;

2. The unauthorized possession of an illegal drug or alcohol on company premises, in a company-supplied vehicle or during working hours (including meal periods);
3. The sale or attempted sale, distribution or manufacture of an illegal drug on or off of company premises;
4. Storing alcohol, any illegal drug, or drug paraphernalia in a locker, desk, automobile or other repository on company premises;
5. Failure to adhere to the requirements of any drug or alcohol treatment or counseling program in which the employee is enrolled;
6. Conviction of a criminal drug offense for a violation occurring in the workplace; or failure to notify the company of such conviction within 5 days after the conviction: (Only for employees working on government contracts.)

### **Testing (Optional)**

Any employee may be required to submit a urine and/or blood sample for testing for drugs or alcohol in any of the following circumstances:

1. When a supervisor or managerial employee observes that the conduct, reactions, job performance, work habits, physical symptoms, or appearance of the employee are indicative of the use of or presence in his system of drugs or alcohol while on the premises or during working hours.
2. When a supervisor or managerial employee observes or receives information from a credible source that an employee used drugs or alcohol while on the premises or during working hours or immediately before reporting to work.
3. When an employee is involved in an accident or incident during working hours which caused or contributed to substantial injury to person or property (or had the potential for doing so), and where there is evidence that it may have resulted, in whole or part from his use of drugs or alcohol.

An employee in a safety-sensitive position may be required to submit a urine and/or blood sample for testing for drugs or alcohol at any time and for any reason and without advance notification. The following positions have been determined to be "safety-sensitive": (*List positions*)

The sample of urine or blood will be analyzed by (name of testing laboratory), using highly accurate testing methods. The sample will be tested for the presence of drugs and/or alcohol only, and for no other purpose. A "positive" test represents a violation of the policy. Switching, adulterating, or tampering with any urine sample submitted for testing is also a violation.

Testing is not necessarily required as a condition to the company taking disciplinary action, including discharge, against an employee who violates this Policy.

### **Inspections**

The company at any time may conduct inspections of the property and personal effects of employees for the purpose of determining whether there are or have been violations of the Drug and Alcohol Policy. This includes but is not limited to property contained in desks,

lockers, vehicles, purses, brief cases, packages, lunch boxes, and clothing. If an employee's consent to such inspection is requested, a refusal to consent will be a violation of this policy.

### **Consequences of Violation of this Policy**

Violation of the Drug and Alcohol Policy may result in severe disciplinary action, including discharge for a first offense, at the company's sole discretion. In addition, the company may, in its sole discretion, refer such an employee to a treatment and counseling program for alcohol or drug use.

The company will promptly terminate any employee who uses alcohol or illegal drugs while undergoing company-required counseling and treatment for alcohol or drug use. Employees who undergo counseling and treatment for substance abuse and who continue to work must meet all other established standards of conduct and job performance.

### **Condition of Employment**

Compliance with the Drug and Alcohol Policy is a condition of employment. Failure or refusal of an employee to cooperate fully, sign any required document, submit to any inspection or test, or follow any prescribed course of substance-abuse treatment will be grounds for termination.

### **Reservation of Rights**

The company reserves the right to interpret, change, rescind or depart from this policy in whole or in part, without notice. Nothing in this policy alters an employee's at-will status.

## **Inspections of Property and Lockers**

All offices, desks, computer equipment, files, lockers and so forth, are property of the Company. In order to ensure the safety of persons and property, the company may inspect any parcels, purses, handbags, brief cases, lunch boxes, or any other possession or articles carried to and from Company premises. In addition, the Company reserves the discretion to inspect any employee's office, desk, files, locker or any other area or article on Company premises.

Further, any employee may be asked to consent to such inspections, including, but not limited to, emptying the contents of any item or locked container, or opening the trunk or any compartment of an automobile parked on Company premises. Such consent is a condition of continued employment.

## **Electronic Communications Policy**

The Company provides and maintains Electronic Communication systems. The purpose of these systems is to conduct Company business and must be used with the utmost care and judgment. The electronic communication systems, including but not limited to all computers and terminals, are Company property. Accordingly, all messages composed, sent, stored or received on these systems are and remain the property of the Company. They are not the private property of any employee.

The use of Electronic Communication systems is reserved solely for the conduct of Company business. These systems may not be used for personal reasons. [or "may be used for incidental personal reasons not inconsistent with this policy that do not interfere with job performance."]

"Electronic Communication Systems" or "Systems" means computers, laptops, servers, cell phones, personal assistant or other mobile electronic communications devices, electronic communication networks and software, owned or administered by the company.

Employees do not have a personal privacy right to any communication created, or sent from the Company's Electronic Communication systems, or stored or received by such systems. The Company, in its discretion expressly reserves the right to access, retrieve, read, audit, or monitor any communication that is stored in the Electronic Communication systems. The contents of electronic mail (e-mail) messages or text messages or any other electronic messages created on or stored in the system or received or sent to the system may be disclosed to individuals deemed appropriate by the Company, including law enforcement officials and/or government agents, without the permission of the employee, with or without notice.

The confidentiality of any message created stored, received or sent on the E-Mail systems should not be assumed. The use of passwords for security does not change this.

**Please note that email sent through the company's Electronic Communications systems are stored on a hard-drive and can be retrieved by the company even if such emails are transacted through a private, password protected account, such as Yahoo, AOL or Gmail. Likewise, any web-based search on the Internet is stored and may be retrieved.**

The systems are not to be used to create, store, receive or send any offensive, intimidating, hostile or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications or innuendo, racial slurs, gender-specific comments, or any other comment that offensively addresses age, sexual orientation, religious or political beliefs, race, national origin, or disability. The company's policy against sexual or other harassment applies fully to the Electronic Communication systems.

Notwithstanding the Company's right to retrieve and read any email messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient. Employees should only disclose information or messages obtained from the electronic communication system to employees authorized to have such information. Employees are not authorized to retrieve or read any email messages that are not addressed to them. Employees shall not use any password or code, access a file, or retrieve any stored information, unless authorized to do so by an appropriate supervisor. Employees should not attempt to gain access to another employee's messages without such employee's permission.

The provisions of the Company's solicitation and distribution policy apply fully to the E-Mail systems.\*

The Company may disclose, without notice to employees, any electronic communications to third parties, including law enforcement authorities.

Any employee who violates this policy or uses electronic communication systems for any purpose deemed improper or unreasonable by the Company will be subject to discipline, up to and including termination.

\* If the Company does not have a solicitation and distribution policy, insert the following: Email systems can not be used to solicit others for non-business purposes, including, but not limited to, raffles or lotteries, donations, or for membership in any social, community, fraternal, political or labor organizations. Email systems can not be used to distribute information or material of a non-business nature, including, but not limited to offensive material, pornography or membership in any organization referenced above.

### **Internet Use Policy**

The Company provides access to the Internet on its computer systems. It is provided as a business tool to assist employees in accomplishing business goals. Good judgment must be used at all times. Use of the Internet for non-business reasons is limited to incidental personal use that does not interfere with job responsibilities but the following personal uses are strictly prohibited: playing games of any kind; downloading video or audio; viewing, obtaining or distributing pornography or other sexually related material; engaging in another business; engaging in a crime; or downloading copyrighted software.

Employees do not have a personal privacy right to any Internet search or to any download from an Internet site. At the Company's discretion, Internet usage will be monitored and/or audited by any feasible means, including but not limited to, maintaining Internet use logs or conducting a search of browsers installed on company-owned computers.

The Company may, without notice to employees, disclose to third parties, including law enforcement officials, any information relating to employee internet use or activity, or specific identifiers, such as name, password or other information, associated with such use or activity.

Search results may be disclosed to individuals deemed appropriate by the Company, including law enforcement officials and/or government agents, without the permission of the employee, with or without notice.

Any employee who is aware of a violation of this policy, or who reasonably suspects that the policy is being violated, must notify \_\_\_\_\_ immediately.

## **Employee Relations**

While federal law permits employees to organize a labor union, our employees are not represented by a labor union. The company's policy is to provide wages and benefits that compare favorably with those at other companies in our region and industry. We also strive to provide the safest and best possible working conditions for you.

One of our primary goals is to successfully meet our responsibilities to you, our employee, both as an individual, and as a contributing member of our team. This is accomplished by managing the company in such a way that you will always be treated with respect and dignity. We believe every person deserves to be treated in this manner, in any situation. We also believe this principle helps make the company successful. And, in this environment, we can work together to solve any problems that may arise.

## **No Solicitation and No Distribution**

*Employers lawfully may promulgate and enforce rules to prohibit employees from engaging in the distribution of union literature and in solicitation on behalf of a union, provided certain limitations are observed with respect both to the application and to the language of such rules.*

*The limitations are that distribution of literature may be prohibited at any time in work areas but only during working time in non-work areas, whereas solicitation may be prohibited only during working time.*

*Any published rule on these subjects should not extend beyond these limitations - e.g., it should not state that distribution is prohibited "on company property" because such a proscription could include both work areas and non-work areas. Reference should not be made to "working hours", as distinguished from "working time"; the former phrase would include non-working time.*

*A rule which is intended to prevent off-duty employees from engaging in solicitation or distribution should state that they may not enter the interior of the premises or work areas for any purpose. They may not lawfully be denied access for these purposes to exterior, nonwork areas of the facility.*

### **Sample Rule**

Distribution or circulation of any written or printed material on behalf of any organization, group, individual or cause is prohibited in work areas or during working time. Solicitation by an employee of another employee is prohibited while either person is on working time. "Solicitation" means the collection of signatures, contributions, money or gifts by or on behalf of any organization, group, individual or cause.

This rule applies to distribution and solicitation by any means, including the use of E-mail, Voice-mail and other electronic equipment.

An employee is not to enter or remain in the building(s) or other work areas for any reason during his off-duty time. *(Do NOT say: there shall be no solicitation, etc. by off-duty employees.)*



## **Conflict of Interest**

Every employee is expected to avoid any investment, interest, association or activity which might interfere or appear to interfere with the exercise of his judgment in the Company's best interests, or conflict with the loyalty he owes to the company.

Such interference or conflict can result from actual or potential personal benefit from another source, or from divulging to others confidential information about the Company's operations and affairs.

Conflicts of interest may arise:

1. When an employee or a member of his household works for, or has a significant direct or indirect financial interest in, or obligation to, an actual or potential competitor, supplier, or customer of the company.
2. When an employee conducts business on behalf of the company with a supplier or customer of which a relative or household member is a principal officer or representative.
3. When an employee accepts gifts or anything of more than token or nominal value from an actual or potential competitor, supplier or customer.
4. When an employee divulges or misuses trade secrets or confidential information concerning such items as the company's finances, operations, methods, products or services.

Employees are expected to consult with their immediate supervisor with respect to the interpretation and implementation of this policy.

## **New Jersey Conscientious Employee Protection Act**

In accordance with New Jersey State Law, an employee is protected against retaliatory action because he or she:

1. Discloses or threatens to disclose to a supervisor or public body an activity, policy or practice of his/her employer that he/she believes is in violation of a law or regulation.
2. Provides information to or testifies before a public body conducting an investigation or hearing concerning such a violation.
3. Objects to or refuses to participate in an activity, policy or practice if he/she reasonably believes that it is in violation of a law or regulation or is fraudulent or that it is incompatible with a clear mandate or public policy concerning the public health, safety or welfare. *(If employees are licensed or certified health care professionals include "or constitutes improper quality of health care.")*

If an employee believes that he/she has been involved in, or has knowledge of, any action which may be in violation of law, regulation or public policy, or is fraudulent, or criminal, the employee is urged to notify (Company Representative) so that the matter may be investigated and corrected. Failure to notify the company may result in the loss of important legal rights. The Company ensures the confidentiality of the report, to the extent possible.

*Must be distributed in both English and Spanish.*

## **Dating or Fraternization**

ABC Company does not wish to infringe upon the purely social activities of its employees or to discourage friendships among them. On the other hand, the Company has an obligation to maintain a work environment that is free from the kind of relationships between employees that may impact adversely on employee morale and productivity, or that may result in favoritism, discrimination or unfair treatment or the perception of such.

Accordingly, the Company has adopted the following policy on the subject of employee "dating" or fraternization.

1. This policy applies only to employees who are in a supervisor-subordinate status. This includes situation where one employee makes or has the authority or opportunity to make decisions or to take action concerning another employee's compensation, promotion, demotion, or any other terms, conditions or privileges of employment.
2. It is contrary to the Company's interests for employees who are in a supervisor-subordinate status (as that term has been explained) to be engaged or involved in an intimate, romantic or "dating" relationship with one another, or to encourage or permit such a relationship to exist.
3. If such a relationship exists or develops, both parties involved shall report the fact to management.
4. When the Company ascertains that such a relationship exists, it may in its discretion attempt to resolve the matter by transferring one of the parties, or it may take any other action which it deems appropriate.
5. Any employee who violates this policy will be subject to disciplinary action, up to and including discharge. The Company will regard a violation as particularly serious if it has caused or led to favoritism, discrimination, unfair treatment, or impairment of Company operations.
6. Nothing in this policy alters an employee's at-will status.

## **Use of Company Vehicles**

Company-owned vehicles are company property. As such, employees that use company-owned vehicles must do so safely and with the utmost care, which includes strict compliance with all motor vehicle codes and laws.

Employees shall use company-owned vehicles for the sole purpose of conducting company business. Passengers shall include only company employees, customers and vendors; however, employees that are permitted to retain company-owned vehicles during non-working time may use a company-owned vehicle for limited purposes unrelated to company business, provided that excessive, frivolous, reckless or inappropriate use, as determined by the company at its discretion, shall be grounds for discipline, up to and including discharge.

When using company-owned vehicles for any reason, employees are prohibited from using hand-held phones while driving or driving while impaired, intoxicated or fatigued. Further, as a condition of using company-owned vehicles, employees may be asked to submit evidence of a valid drivers' license and/or comply with a request for a motor vehicles report at the discretion of the company. Employees who use company-owned vehicles must also notify the company immediately upon the revocation of his/her drivers' license or upon conviction, or plea of guilty, of any motor vehicle offense, however minor.

## **Educational (Tuition) Refunds**

*A policy statement on the subject of reimbursement of employees for educational expenses should address these questions:*

- 1. For what kinds of courses of instruction will reimbursement be made; must they be job-related?*
- 2. What kinds of expenses will be reimbursed (enrollment, tuition, fees, books, supplies), and will there be a maximum amount payable per year, per course, etc.?*
- 3. Will course grades have any bearing upon whether and how much reimbursement will be made?*
- 4. Will an employee become liable to refund the amount reimbursed if his employment is terminated within some specified time after receiving reimbursement?*

## **Severance**

Whether severance pay will be given upon termination of employment, and the amount of pay, are entirely within the discretion of the company, and will depend upon such things as the reason for the termination, the employee's record, business conditions, etc.

When an employee is terminated, severance pay will be given only in the following circumstances:

- Voluntary termination, provided advance notification of at least \_\_\_\_\_ is given.
- Discharge for other than misconduct.
- Layoff for lack of work or reduction in force where there is no expectation on the part of the company that the employee will be recalled within \_\_\_\_\_ months.
- Layoff or termination resulting from the permanent closing of the facility, or the permanent closing of the employee's department.

Severance pay when given will be in the following amounts:

Severance otherwise payable will not be paid to an employee who in lieu of layoff is offered but refuses another job which is the approximate equivalent in pay and status and which he is capable of performing.

If an employee is terminated upon a sale, merger, or other change of ownership, severance pay otherwise payable will not be given if he is offered or accepts substantially equivalent employment by the new owner or operator of the business without substantial interruption in his employment.

This severance pay policy may be amended or terminated at any time.

## **Resignation of Employment**

Employees who voluntarily resign from the Company are asked to provide at least two-weeks advance notice of their resignation. The notice should be in writing and state the reason for resigning and the anticipated last day of work. The notice shall also request the removal of personal items and set forth a list of such items and their location. If personal items are stored on the Company computer systems, retrieval must be made in the presence of at least one Company representative.

If such notice is given, the Company shall pay the resigning employee the value of any paid time off allotment, excluding sick days, with his or her final paycheck, which shall be delivered on the next regular pay day.

The notice does not guarantee employment or wages during the notice period and the Company reserves the right to make a discharge decision at any time, with or without cause. Final wages shall represent time worked only.

The resigning employee must be actively employed to be eligible for any commission, bonus or award, or any other thing of value that does not constitute wages. "Actively employed" does not mean on a leave of absence, unless otherwise required by law.

Prior to the last day of work or at the request of the Company, the resigning employee must return all Company property, including but not limited to, keys, access card, cell phone, lap top, hardcopy and electronic files, and all proprietary information held or stored in any medium by the employee. The Company reserves the right to conduct an inspection and/or an investigation to locate or recover Company property, with or without the resigning employee's permission. Failure to return Company property may lead to immediate discharge and legal action against the employee to recover Company property and monetary damages.

The Company shall determine under its sole discretion whether to provide the resigning employee with an escort from the Company's premises. Such escort shall not imply any wrongdoing on the part of the resigning employee.

## **Employee Records, Confidentiality and the Duty of Confidence**

This policy covers persons who have access to employee information and all employee records.

In the context of this policy, "employee" is used to refer to current, former and prospective employees.

"Employee information" is information about an employee, including, but not limited to, mailing address and/or residence address, social security number, telephone number, marital status, health status, disability, sex, age, national origin, number of dependents, beneficiaries, personnel matters and actions, qualifications and compensation.

"Employee information" also includes opinions about an employee's job performance and work habits and opinions and other privileged information received from inside or outside legal counsel or other learned experts, including staff.

An "employee record" is anything that contains employee information (in any media) about an employee, including medical records.

Information about employees is private and confidential. Employees who have access to such information have a "duty of confidence" to ensure that such information is kept confidential.

Employees who have access to employee information and/or employment records shall not disclose such information to any person within or outside the corporation, except to individuals known to be authorized to receive such information. Such employees and individuals shall act with due care to avoid the inadvertent disclosure of such information to anyone else.

All employee records shall be kept safe and secure in locked drawers and cabinets, and pass word protected if stored electronically.

Employees may have access to any employee record to which they have previously signed or acknowledged receipt in writing. Requests for employee information from persons outside the organization shall be directed to \_\_\_\_\_

When in doubt as to the applicability or interpretation of this policy, employees who have access to employee information and/or employment records shall consult directly with \_\_\_\_\_

## **Respect and Professionalism in the Workplace**

Every employee should be treated with dignity and respect and employees are expected to conduct themselves professionally at all times. If, at any time, an employee believes that they are being threatened, badgered, intimidated or bullied in any way, he or she should report it immediately to a supervisor.

The Company will follow procedures it deems proper under the circumstances and will exercise its discretion to maintain fairness to all parties. The Company may exercise its discretion to take whatever action it deems necessary, including but not limited to, placing an employee on leave of absence, reassignment, suspension, demotion, or discharge, or any other action. The Company also reserves the right to require counseling, training and/or monitoring as a condition of continued employment.

### **Non Retaliation**

The Company will not tolerate retaliation against any person for reporting a violation of this policy or for providing information in connection with any inquiry made under this policy.

### **The Company's Authority and Discretion**

Please note that while this policy declares the Company's goal to maintain a respectful and dignified working environment, it is not designed or intended to limit the Company's authority or discretion to make any and all employment decisions, including decisions about discipline, discharge or other corrective action, concerning employee conduct that the Company deems unprofessional.

## Social Networking Media Policy

The following is the company's social media and social networking policy. It applies to all professional and social networking sites, blogs, electronic boards and forums, videos, and like sites, including those subject to personal subscription (herein referred to as "Social Networking Media"). The absence of, or lack of explicit reference to a specific site does not limit the extent of the application of this policy.

1. Do not reference the company name, product or services, or any company activity without the express permission of the company.
2. Do not reference or site company clients, partners, customers, employees without their express consent and without approval of the company.
3. Social Networking Media should have clear disclaimers that the views expressed by the author are the author's alone and do not represent the views of the company. Be clear and write in first person. Make your writing clear that you are speaking for yourself and not on behalf of the company.
4. Information on Social Networking Media should comply with the company's nondisclosure of proprietary/confidential information policies.
5. Be respectful to the company, its employees, customers, partners, and competitors.
6. Social Networking Media activities should not interfere with work.
7. Your online presence reflects the company. Be aware that your actions captured via images, posts, or comments can reflect that of the company.
8. Respect copyright laws, and reference or cite sources appropriately. Plagiarism applies online as well.
9. Company logos and trademarks may not be used without written consent.
10. Do not engage in any activity that could impair the company image or reputation, or that of any client, partner or customer.
11. Accessing Social Networking Media from the company's computer network or electronic communications systems waives any expectation to privacy that an employee may have to any image, post, or comment, regardless of whether the Social Networking Media is password-protected. **[Employer Note: Legal standards for accessing password-protected sites are still evolving]**

Where no guideline exists, employees should use their professional judgment and take the most prudent action possible. Consult with your manager or supervisor if you are uncertain.

Social Networking Media may be monitored by the company for any reason, at any time. Further, to monitor compliance with this policy, as a condition of continued at will employment, an employee may be asked to access Social Networking Media in the presence of a company representative, to transmit, store, photograph, record, copy or otherwise capture and preserve any image, post, or comment. Failure to submit to the company's request will be considered insubordination, subject to discipline up to and including discharge, at the company's discretion.

**[Employer Note: This is only a sample and framework for social media policies. In developing policies and procedures for your company, you should tailor the language to reflect the culture and the company environment. Depending on the usage of social media, policies should be more or less explicit, particularly in defining terms.]**

**Acknowledgement and Receipt of Employee Handbook**

I have this day received a copy of the ABC Company Employee Handbook. I understand that it is my responsibility to read it, and to comply with the policies and procedures described in the Handbook.

I also understand that this handbook, which replaces all previously issued handbooks and policy statements, is provided as a matter of reference and is not an employment contract.

I also understand that my employment relationship with the company is "at-will", meaning that regardless of anything contained in this handbook and regardless of any custom or practice, the company makes no promises and remains free to change policies, benefits, and all other working conditions without having to consult anyone or obtain anyone's agreement.

I understand that I can terminate my employment at any time and that ABC Company retains the absolute power to terminate my employment at any time, with or without cause, and without prior notice.

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Name

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Date

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Employee's Signature