RESOLUTION 2017-17

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING AMENDMENTS TO THE TOWN OF FOUNTAIN HILLS PERSONNEL POLICIES AND PROCEDURES, AMENDED AND RESTATE AUGUST 1, 2013, RELATING TO THE ABSENTEEE REPORTING, PERSONAL PHONE CALLS, AND RECORD CHANGES; EMPLOYEE CLASSIFICATIONS; INTRODUCTORY EMPLOYMENT PERIOD; ELIGIBILITY FOR BENEFITS; VACATION LEAVE; SICK LEAVE – FULL-TIME AND PART-TIME REGULARLY SCHEDULED EMPLOYEES; MISCELLANEOUS LEAVE WITH PAY; LEAVES OF ABSENCE WITHOUT PAY; SUPERVISION AND DISCIPLINE; PAID SICK TIME – PART-TIME NON-REGULARLY-SCHEDULED, TEMPORARY, SEASONAL AND OTHER EMPLOYEES; AND DECLARING AN EMERGENCY.

WHEREAS, the Mayor and Council of the Town of Fountain Hills (the “Town Council”) approved Resolution 2013-39, adopting the Town of Fountain Hills Personnel Policies and Procedures, Amended and Restated August 1, 2013 (the “2013 Policy”); and

WHEREAS, the Town Council approved Resolution 2015-54 adopting amendments to the provisions of the 2013 Policy relating to (i) Vacation Leave, (ii) Personal Leave, and (iii) Electronic Mail and Scheduling System, Internet Use, Use of Electronic Devices, iPad/iPhone, and Social Media Policies (the “2015 Amendments”); and

WHEREAS, the Town Council approved Resolution 2016-41 adopting amendments to the provisions of the 2013 Policy relating to (i) Exempt Leave, and (ii) Merit Leave (the “2016 Amendments”) (the 2013 Policy, the 2015 Amendments and the 2016 Amendments are collectively referred to herein as the “Personnel Policy”); and

WHEREAS, the Town Council desires to (i) amend the provisions of the Personnel Policy relating to (a) Absentee Reporting, Personal Phone Calls, and Record Changes, (b) Employee Classifications, (c) Introductory Employment Period, (d) Eligibility for Benefits, (e) Vacation Leave, (f) Sick Leave – Full-Time and Part-Time Regularly Scheduled Employees, (g) Miscellaneous Leave With Pay, (h) Leaves of Absence without Pay, and (i) Supervision and Discipline, and add (ii) a new provision relating to Paid Sick Time – Part-Time Non-Regularly-Scheduled, Temporary, Seasonal, and Other Employees.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. Policy No. 211 of the Personnel Policy (Absence Reporting, Personal Phone Calls, and Record Changes) is hereby amended as set forth in Exhibit A and incorporated herein by reference.
SECTION 3. Policy No. 602 of the Personnel Policy (Employee Classifications) is hereby amended as set forth in Exhibit B and incorporated herein by reference.

SECTION 4. Policy No. 801 of the Personnel Policy (Introductory Employment Period) is hereby amended as set forth in Exhibit C and incorporated herein by reference.

SECTION 5. Policy No. 902 of the Personnel Policy (Eligibility for Benefits) is hereby amended as set forth in Exhibit D and incorporated herein by reference.

SECTION 6. Policy No. 903 of the Personnel Policy (Vacation Leave) is hereby amended as set forth in Exhibit E and incorporated herein by reference.

SECTION 7. Policy No. 905 of the Personnel Policy (Sick Leave – Full-time and Part-time Regularly Scheduled Employees) is hereby amended as set forth in Exhibit F and incorporated herein by reference.

SECTION 8. Policy No. 911 of the Personnel Policy (Miscellaneous Leave with Pay) is hereby amended as set forth in Exhibit G and incorporated herein by reference.


SECTION 10. Policy No. 1201 of the Personnel Policy (Supervision and Discipline) is hereby amended as set forth in Exhibit I and incorporated herein by reference.

SECTION 11. Policy No. 920 (Paid Sick Time – Part-Time Non-Regularly-Scheduled, Temporary, Seasonal, and Other Employees) is hereby added to the Personnel Policy in substantially the form and substance attached hereto as Exhibit J and incorporated herein by reference.

SECTION 12. If any section, subsection, sentence, clause, phrase or portion of this Resolution or any part of the policies adopted herein by reference is for any reason to be held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 13. The immediate operation of the provisions hereof is necessary for the preservation of the public peace, health and safety and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the Town Council and it is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

SECTION 14. This Resolution shall become effective at 12:01 a.m. on July 1, 2017, or if the effectiveness of this Resolution is prohibited by Arizona law at such time, then this Resolution shall become effective at the earliest such later time as authorized by Arizona law.
SECTION 15. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 15, 2017.

FOR THE TOWN OF FOUNTAIN HILLS:  ATTESTED TO:

Linda M. Kavanagh, Mayor

Bevelyn J. Bender, Town Clerk

REVIEWED BY:  APPROVED AS TO FORM:

Grady E. Millor, Town Manager

Andrew J. McGuire, Town Attorney
EXHIBIT A
TO
RESOLUTION 2017-17

[Policy No. 211]

See following pages
SECTION: CONDITIONS OF EMPLOYMENT
POLICY: ABSENTEE REPORTING, PERSONAL PHONE CALLS, AND RECORD CHANGES

PURPOSE: To establish procedures for absentee reporting, personal telephone calls, and record changes.

PROCEDURE:

ABSENTEE REPORTING:
Whenever an employee is unable to report for work for any reason, he or she must contact his or her immediate supervisor or designee telephonically or by email at least thirty (30) minutes prior to the start of his or her scheduled working hours or as soon as otherwise practicable.

When the use of earned paid sick time is foreseeable, the employee shall make a good faith effort to provide notice of the need for such time to the his or her supervisor or their designee in advance of the use of the earned paid sick time and shall make a reasonable effort to schedule the use of earned paid sick time in a manner that does not unduly disrupt the operations of the Town. Such notice shall be given telephonically or by email. When possible, the notice shall include the expected duration of the absence.

In all cases, employees who leave a voicemail message should ensure that the recipient of the message has received it.

If the employee is not able to call personally, another person may call the employee’s immediate supervisor; or a person who is able to relay a message to the immediate supervisor of the employee prior to the start of the employee’s scheduled working hours. An explanation should be provided concerning the reason for the absence with an estimate of when the employee will be able to report for work. Failure to provide this notification within the time specified, except for extreme and very specific circumstances, may result in the employee being placed on leave without pay status for the duration of the absence. When an employee becomes sick or needs to leave work during the workday, he/she the employee should notify his or her immediate supervisor if it will involve time away from work or designee.

In all cases, if the immediate supervisor or designee is not available, the employee should either contact his or her supervisor’s supervisor or the Town Human Resources Department.

PERSONAL TELEPHONE CALLS

Personal telephone calls during duty hours must be kept to a minimum and should be made and received as much as possible only during breaks or meal periods.
RECORDS CHANGES

Changes of name, address (both mailing and residence), telephone number, or marital status must be reported immediately to the Human Resources Office in order to update employee records. A record change form is provided for this purpose and must be signed by the employee (See Exhibit 211-A). Supervisory managers must also be notified of such changes. This information is required to be able to reach employees in an emergency, for insurance purposes, and to properly prepare payroll-related documents.
EXHIBIT B
TO
RESOLUTION 2017-17

[Policy No. 602]

See following page
PURPOSE: To classify employees into one of three categories for eligibility to receive certain benefits offered by the Town of Fountain Hills.

STATEMENT OF POLICY: Employees All Town employees fall into one of these three categories:

1. FULL-TIME – An employee who is normally scheduled to work forty (40) hours per week for fifty-two (52) weeks per year.

2. PART-TIME REGULARLY SCHEDULED – An employee who is expected to establish a continuity of service, but is consistently scheduled, for less than forty (40) hours per week and/or less than fifty-two (52) weeks per year. All regularly-scheduled part-time employees are expected to work more than twenty-six (26) weeks per year.

3. PART-TIME NON-REGULARLY SCHEDULED TEMPORARY (or SEASONAL) – An employee who is hired for a specific period of time and is not expected to establish a continuity of service whose work schedule is intermittent, variable, or seasonal in nature. It is expected that an employee should not remain in temporary job status longer than six (6) months.
EXHIBIT C
TO
RESOLUTION 2017-17

[Policy No. 801]

See following pages
SECTION: INTRODUCTORY PERIOD  
POLICY: INTRODUCTORY EMPLOYMENT PERIOD  
POLICY NO: 801  
EFFECTIVE: October 7, 2004 July 1, 2017  
REVISED: August 1, 2013 June 15, 2017

PURPOSE: To establish a period of time which shall be regarded as part of the orientation period utilized for training and critiquing the employee’s work habits, skill level, and suitability for continued employment in their assigned position with the Town.

STATEMENT OF POLICY: The provisions contained in this Policy relating to notices required before demotion, suspension, or dismissal of a regular status employee shall not apply to introductory employees; as their positions are classified as Uncovered.

Several informal, but detailed, communication and feedback sessions are to be made throughout an introductory period so that the employee will have a clear understanding and direction, with ample opportunity to make corrections as necessary. This is also a time for encouragement, support, and reinforcement from the immediate supervisor and Department Head.

Prior to the conclusion of the introductory employment period, a formal performance evaluation will be completed which becomes a part of the employee’s personnel file in the Human Resources Department. The employing department will make a decision whether to retain the employee, extend the introductory period, or terminate the employee, based on work performance. This determination must be clearly stated in the performance evaluation. Every effort shall be made to complete performance evaluations by the supervisor on prescribed forms not earlier than ten (10) working days prior to the evaluation due date, and not later than ten (10) working days after the evaluation due date.

SCOPE: Introductory period for all full-time employees is defined as the first six (6) months. Introductory period for all part-time employees is defined as the first 1040 hours worked.

PROCEDURE:

Introductory Periods

1. **Initial Introductory Period:** All full-time and part-time employees will be placed in an initial introductory period following their initial date of hire.

   Upon successful completion of the initial introductory period and in accordance with the provisions of this Policy, the employee shall achieve regular status in Town employment, and given merit increase consideration based on performance. Merit increases will only be awarded to Town employees as Town budget dollars are appropriated.

   All employees are eligible to begin utilizing accrued Paid Sick Time on the 90th calendar day after commencing employment with the Town.
Full-time and eligible part-time employees are eligible to begin utilizing accrued vacation, or personal or PTO time leave after satisfying six (6) months of their initial introductory period.

During the initial introductory period, an employee may be dismissed, suspended or demoted by the Town Manager. Dismissal during the initial introductory period shall be defined as an introductory release and shall not be considered a dismissal for cause.

Initial introductory employees may be subject to a pay reduction by the Town Manager.

2. **Promotional Introductory Period:** A promotion is defined as the movement of an employee to a position in a higher salary grade than the one presently assigned to, and one for which the new duties and responsibilities are significantly increased in nature and scope. Employees will be placed in a promotional introductory period following the effective date of their promotion with a time frame as defined above. Employees shall be provided written notice of the introductory period.

Upon successful completion of a promotional introductory period and in accordance with the provisions of this Policy, the employee shall be given merit increase consideration based on performance. This date becomes the employee’s new evaluation date for merit review consideration.

A promoted employee who is not successful in completing an introductory period may be eligible for demotion to a vacant position for which they meet the minimum qualifications. A determination by the Department Head that the employee’s performance was not satisfactory shall be sufficient cause for demotion.

3. **Demotion Introductory Period:** A demotion is defined as the movement of an employee to a position in a lower salary grade than the one presently assigned to, and one for which the new duties and responsibilities are significantly decreased in nature and scope. Employees will be placed in an introductory period following the effective date of their demotion with a time frame as defined above. Employees shall be provided written notice of the introductory period.

A demoted employee who successfully completes a demotion introductory period is not eligible for merit increase consideration at the conclusion of the period.

The Regular Status of an employee serving a demotion introductory period shall not be affected. However, an employee demoted for disciplinary reasons, who unsuccessfully completes a demotion introductory period, shall be dismissed.

Failure to meet the requirements of the position to which the employee is demoted or to successfully complete the demotion introductory period shall constitute a sufficient factual basis for further discipline, up to and including termination.

4. **Lateral Transfer Introductory Period:** A lateral transfer is defined as the movement of an employee to a position in the same salary grade as the one presently assigned. Employees will be placed in an introductory period following the effective date of their transfer with a time frame as defined above. Employees shall be provided written notice of the introductory period.

A formal performance evaluation will be conducted documenting the conclusion of this introductory period and become part of the employee’s official record in the Human Resources Department.

A laterally transferred employee who successfully completes an introductory period is not eligible for merit increase consideration at the conclusion of the period.
A laterally transferred employee whose performance falls below acceptable levels at the end of their introductory period may be returned to their former position or another similar position for which they qualify, if vacant.

The Regular Status of an employee serving a lateral transfer introductory period shall not be affected.

**Employees are not allowed to be promoted within the initial, promotional, demotion, or lateral transfer introductory periods.**

**Alternatives to Regular Status**

**Introductory Period Extensions**

A Department Head may request authorization for an introductory period to be extended longer than the applicable period as defined within this Policy to further assess an employee’s work performance and suitability for continued employment. A request to extend an introductory period must be in writing and approved by the Town Manager. Introductory extensions are not to exceed two times (2x) an individual’s applicable introductory period.

Any type of leave time taken (i.e., vacation, sick, personal, etc.) during the introductory period (with the exception of sick leave) or while drawing compensation under Workers’ Compensation, that is in excess of five (5) consecutive calendar days shall not be credited toward the employee’s introductory period and, instead, the employee’s introductory period shall be extended for a length of time equal to the time length of leave taken.

**Rehire**

An employee who is terminated from Town employment and rehired, shall be required to serve an initial introductory period upon re-employment, unless otherwise waived by the Town Manager.
EXHIBIT D
TO
RESOLUTION 2017-17

[Policy No. 902]

See following page
An employee’s eligibility to participate in the benefits program is determined by the following classifications:

- **Full-time** employees who are regularly scheduled to work 40 hours per week are eligible for full benefits.

- **Part-time** employees who are regularly scheduled to work less than 40 hours per week but more than 20 hours per week are eligible for a modified leave benefits package.

- **Temporary (or seasonal) full-time or part-time** employees are not only eligible for sick leave benefits (See Policy 920).

Classification as a “full-time”, “part-time regularly-scheduled”, or “part-time non-regularly-scheduled” employee is determined by the classification of the employee’s position, not solely by the number of hours actually worked in any given week. (See Policy 602 “Employee Classifications”).

For questions concerning classification, please contact Human Resources.

The Town of Fountain Hills pays a significant portion of the costs of these benefits for employees. Employee contributions for certain benefits will be deducted from their paychecks on a pre-tax basis. Employees will pay no Federal or State taxes on this amount.
EXHIBIT E
TO
RESOLUTION 2017-17

[Policy No. 903]

See following pages
Town of Fountain Hills
Personnel Policies and Procedures

SECTION: FRINGE BENEFITS AND LEAVES
POLICY: VACATION LEAVE
POLICY NO: 903
EFFECTIVE: December 17, 2015
July 1, 2017
REVISED: December 17, 2015
June 15, 2017

PURPOSE: To establish the means by which Town of Fountain Hills employees may earn and use vacation leave and to provide for the compensation of unused vacation leave upon separation from Town service.

STATEMENT OF POLICY: Vacation leave is part of the integrated program of benefits for Town employees. Such leave is intended as a necessary break from normal duties to allow employees to engage in outside recreational activities as a means of achieving and sustaining high levels of productivity during regularly scheduled duty.

SCOPE: All full-time Town employees accrue vacation leave hours. Part-time regularly scheduled employees who work a minimum of 20 hours per week on a regular scheduled basis accrue Paid Time Off (PTO). Temporary and accrue vacation leave at a proportional rate up to the maximum accrual rate of full-time employees (based on 40 hours per work week). Part-time, non-regularly scheduled, temporary, or seasonal employees do not earn vacation leave or PTO. (See “Eligibility for Benefits” – Policy# 902 and “Employee Classifications” Policy 602).

The amount of vacation time and PTO employees are eligible to receive each year increases with the length of their employment. Vacation time and PTO begins to accrue with the employee’s first full bi-weekly pay cycle, subject to the following:

Upon completion of six (6) months of actual service, each full-time employee shall be credited with up to fifty-two (52) hours of vacation and shall accrue vacation thereafter at the rate specified in this policy. Upon completion of six (6) months of actual service, eligible part-time employees shall be credited with up to twenty-six (26) hours of PTO and shall accrue PTO thereafter at the rate specified in this policy proportional amount of vacation leave relative to the accrual of full-time employees (based on 40 hours per work week).

ACCRUAL RATE MAXIMUMS & OVERALL MAXIMUMS – FULL TIME ELIGIBLE EMPLOYEES (Based on 40 Hours per Work Week):

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Maximum Hours per Pay Period / Year</th>
<th>Overall Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start date through completion of 3rd year</td>
<td>4.00 / 104</td>
<td>208</td>
</tr>
<tr>
<td>4th year through completion of 7th year</td>
<td>5.00 / 130</td>
<td>260</td>
</tr>
<tr>
<td>8th year through completion of 10th year</td>
<td>6.00 / 156</td>
<td>312</td>
</tr>
<tr>
<td>11th year through completion of 15th year</td>
<td>7.00 / 182</td>
<td>364</td>
</tr>
<tr>
<td>16 + Years</td>
<td>8.00 / 208</td>
<td>416</td>
</tr>
</tbody>
</table>
Maximum vacation accruals increase with length of service as depicted in the chart and the overall maximum is limited to two times the yearly maximum accrual.

**ACCRUAL RATE & MAXIMUMS—PART-TIME EMPLOYEES:**

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Hours per Pay Period / Year</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start date through completion of 3rd year</td>
<td>2.00 / 52</td>
<td>104</td>
</tr>
<tr>
<td>4th year through completion of 7th year</td>
<td>2.50 / 65</td>
<td>130</td>
</tr>
<tr>
<td>8th year through completion of 10th year</td>
<td>3.00 / 78</td>
<td>156</td>
</tr>
<tr>
<td>11th year through completion of 15th year</td>
<td>3.50 / 91</td>
<td>182</td>
</tr>
<tr>
<td>16+ Years</td>
<td>4.00 / 104</td>
<td>208</td>
</tr>
</tbody>
</table>

Actual accrual amounts for eligible part-time regularly scheduled employees will vary depending on the actual amount of paid-status hours reported through payroll records by an eligible part-time employee. Paid-status hours include hours worked as well as leave taken under the vacation, sick leave, and other paid leave policies.

Maximum vacation accruals increase with length of service as depicted in the chart and is limited to two times the yearly accrual. The “Overall Maximum” column in the table represents a fixed amount and will not vary with actual amount of hours worked.

All vacation leave and PTO are to be taken at the convenience of the department and shall be approved in writing, or through automation, by the supervisor or his/her designee. It is the responsibility of the employee to schedule his/her vacation time or PTO in compliance with departmental workloads and needs. Requests for vacation time or PTO should be submitted to the supervisor as far in advance as possible. Employees may be recalled from vacation leave or PTO, or may have their scheduled vacation leave or PTO postponed, when deemed necessary by the department director. When an employee is recalled from vacation leave or PTO, the employee’s vacation leave or PTO will be rescheduled to the earliest convenient time. Employees will be permitted to use vacation leave or PTO in incremented units of one-half (1/2) hour or more, in any one day. Vacation time or PTO shall not be advanced to an employee nor may vacation time or PTO be transferred between employees.

Vacation time and PTO will not accrue for workweeks in which there are no hours paid by the Town of Fountain Hills. If the employee has an accrued vacation or PTO-balance, the vacation time or PTO must be paid-out before any unpaid time is approved. Vacation hours or PTO must be used for sick leave if accrued sick leave hours have been exhausted. Neither vacation nor PTO will count toward hours worked for purposes of computing overtime.

If a holiday falls within an employee’s vacation or PTO, the employee will not be charged with vacation or PTO hours for the holiday, but will be paid for the holiday at the appropriate holiday rate.

**Separation of Employment**

Awarded vacation leave hours or PTO will be paid at the employee’s regular hourly rate upon separation of employment.

No more than the maximum allowable accrual of vacation leave is compensable upon separation of employment. Vacation leave or PTO accrued during the initial introductory employment period (six months) will not be compensated if separation occurs during the initial introductory period.
EXHIBIT F
TO
RESOLUTION 2017-17

[Policy No. 905]

See following pages
Town of Fountain Hills
Personnel Policies and Procedures

SECTION: FRINGE BENEFITS AND LEAVES
POLICY: SICK LEAVE — FULL-TIME AND PART-TIME REGULARLY SCHEDULED EMPLOYEES

POLICY NO: 905
EFFECTIVE: October 7, 2004 July 1, 2017
REVISED: August 1, 2013 June 15, 2017

PURPOSE: To establish the means by which Town of Fountain Hills employees may earn and use sick leave and to provide for the compensation of unused sick leave upon separation from Town service.

STATEMENT OF POLICY: Sick leave is part of the integrated program of benefits for Town employees. Such leave is intended for use only under specific conditions as set forth in this policy.

SCOPE: All full-time Town employees are eligible to earn sick leave for each hour in a paid-status hours. Part-time employees who work a minimum of 20 hours per week on a regularly scheduled basis accrue Paid Time Off (See Policy 903 — Vacation Leave). Temporary and seasonal employees do not earn sick leave or PTO. Employees are also eligible to earn proportional sick leave for paid-status hours. (See policies 602 “Employee Classifications” and 902 “Eligibility for Benefits”).

PROCEDURE: Sick leave is earned from the first day of employment. Upon hire, all full-time Town employees and eligible part-time Town employees (as outlined above) will begin to accrue sick leave. Full-time Town employees will accrue sick leave at a rate of 4.0 hours biweekly, assuming they are in a paid-status. Eligible part-time Town employees will accrue sick leave at a rate proportionate to the accrual rate of full-time Town employees based on their paid-status hours and may carryover hours, subject to the caps on accumulation of sick leave. Use of sick leave and PTO (solely for sick leave purposes) is permitted during the initial introductory employment period with the Town. Full-time employees will earn sick leave at the rate of 4.0 hours biweekly. Sick leave is earned for hours worked or in a paid status. Accumulation of sick leave shall not exceed 960 hours for full-time employees.

Use of sick leave hours or PTO for sick leave purposes shall not be considered a right but rather a privilege and shall be allowed only under the following conditions:

1. Personal illness or physical incapacity resulting from causes beyond the control of the employee. Employees who are exempt from overtime requirements under the Fair Labor Standards Act of 1938 (29 United States Code section 213(A)(1)) will be assumed to work 40 hours in each work week for purposes of earned paid sick time accrual unless their normal work week is less than 40 hours, in which case earned paid sick time accrues based upon that normal work week.

2. Medical or dental appointments of the employee. Actual accrual amounts for eligible part-time employees will vary depending on the actual amount of paid-status hours reported through payroll records by an eligible part-time employee. Paid status hours include actual hours worked as well as leave taken under the Town’s Vacation, Sick Leave, Holiday, and other paid leave policies.

3. Through exposure to contagious disease and possible endangering of others on duty, a physician certifies that the employee’s presence jeopardizes the health of others.
Sick leave may be used for any of the following reasons:

- An employee’s mental or physical illness, injury or health condition; an employee’s need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; an employee’s need for preventive medical care.
- Care of a family member with a mental or physical illness, injury or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; care of a family member who needs preventive care.
- Closure of the employee’s place of business by order of a public health official or need to care for a child whose school or place of care has been closed by order of a public health official.
- Care for oneself or family member when it has been determined by health authorities or a health care provider that the employee’s or family member’s presence in the community may jeopardize the health of others because of their exposure to a communicable disease.
- Absence due to domestic violence, sexual violence, abuse or stalking, provided the leave is to allow the employee to obtain for the employee or the employee’s family member:
  - Medical attention needed to recover from injury or disability caused by domestic violence, sexual violence, abuse or stalking
  - Services from a domestic or sexual violence program or victim services organization
  - Psychological or other counseling
  - Relocation or taking steps to secure an existing home due to the domestic violence, sexual violence, abuse or stalking; or
  - Legal services related to the domestic violence, sexual violence, abuse or stalking.

The term “family member” means the following for purposes of this policy:

- Biological, adopted or foster child, stepchild or legal ward, a child of domestic partner, a child to whom the employee stands in loco parentis, or an individual to whom the employee stood in loco parentis when the individual was a minor.
- Biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee’s spouse or domestic partner or a person who stood in loco parentis when the employee or employee’s spouse or domestic partner was a minor child.
- Spouse or a registered domestic partner
- Grandparent, grandchild or sibling (whether biological, foster, adoptive or step) of the employee or the employee’s spouse or domestic partner, or
- Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

4. To attend to a person who is a continuous resident in the employee’s immediate household, whose illness or physical incapacity requires the employee’s presence.

For earned paid sick time of three or more consecutive work days, the employee may be required to submit reasonable documentation that the earned paid sick time has been used for a purpose covered in this policy. Documentation signed by a heath care professional indicating that earned paid sick time is necessary shall be considered reasonable documentation. In cases of domestic violence, sexual violence, abuse or stalking, documentation set out in A.R.S. § 23-373(G) shall be sufficient.

Any employee who abuses sick leave or PTO for sick leave purposes will be subject to disciplinary action. Actions that may lead to disciplinary action include, but are not limited to, falsifying illness or reasons for using leave, unsubstantiated excessive use (three (3) or more consecutive absences without appropriate documentation) and not complying with the authorization requirements above. The Town of Fountain Hills
sets a standard of more than five (5) sick incidents per year to be excessive. Consecutive days of illness are counted as one incident.

Employees will be permitted to use sick time or PTO in incremented units of one-half (1/2) hour or more, in any one day. Sick time or PTO shall not be advanced to an employee nor may sick time or PTO be transferred between employees.

If the employee has an accrued sick or PTO balance, the sick time or PTO must be paid out before any unpaid time off is approved. Neither sick leave hours nor PTOThe Town may require that accrued and unused sick leave under this Policy be used concurrently with leave taken under other applicable leave policies, including leave taken under the Family and Medical Leave Act (FMLA). Sick leave hours will not count toward hours worked for purposes of computing overtime.

EmployeesUpon retirement, full-time and regularly scheduled part-time employees with 10+ years of continuous full-time service who have a minimum of 480 banked sick time hours will qualify for a payout of 240 hours will qualify for a payout of fifty percent (1/2) of their available accrued sick leave hours at their regular rate of pay upon separation of service for any reason other than involuntary termination. Employees with 15+ years of continuous full-time service who have a minimum of 720 banked sick time hours will qualify for a payout of 480 hours upon separation of service for any reason other than involuntary termination. Sick leave will not be paid out at separation of service under any other circumstances. Refer to Policy 902 “Eligibility for Benefits” and Policy 602 “Employee Classifications” for clarification on eligibility.

Sick leave will not accrue for any payroll period during which an employee is absent for more than six (6) working days, except for absences during which the employee is being paid for.

If an employee separates from employment with the Town and is rehired within nine (9) months, that employee’s previously accrued vacation time, personal time, sick time, and holidays. Sick leave should be treated as a form of insurance and not as extra days off from work, and unused sick leave will be reinstated and will be available for immediate use.

Employees who are denied needed sick leave for one of the purposes listed in this Policy should contact Human Resources for an individualized review.
EXHIBIT G
TO
RESOLUTION 2017-17

[Policy No. 911]

See following pages
Town of Fountain Hills
Personnel Policies and Procedures

SECTION: FRINGE BENEFITS AND LEAVES
POLICY: MISCELLANEOUS LEAVE WITH PAY
POLICY NO: 911
EFFECTIVE: October 7, 2004 July 1, 2017
REVISED: August 1, 2013 June 15, 2017

PURPOSE: To establish a policy for Town employees to provide for leave with pay for Jury Duty, Witness Duty, Voting, Bereavement, and Administrative Leave.

SCOPE: This policy applies to all Town employees.

STATEMENT OF POLICY:

Jury Duty/Witness Service - Full-time, part-time, or temporary employees called to serve on a jury will be paid for the day or days in which the court requires attendance if they were scheduled to work that day. Full-time, part-time, or temporary employees called to testify as a voluntary witness at the request of the Town of Fountain Hills (by subpoena or otherwise) will be paid for the day or days in which the court requires attendance. If employees are subpoenaed to appear in court as witnesses, but not at the request of the Town of Fountain Hills, they will be excused from work in order to comply with the subpoena but will not be paid for the time.

Employees must present any summons to their supervisor on the first working day after receiving the notice. If an employee is not required to serve on a day he/she is normally scheduled to work or if the employee is excused before serving four hours of jury duty, he/she is expected to report to work.

Employees may keep any compensation they are paid for jury duty or witness service. They will be paid their straight time base rate of pay for all hours missed due to jury duty or witness service on behalf of the Town of Fountain Hills in addition to any compensation received from the court. Compensation for witness service will only be paid if the employee is summoned for witness service by the Town of Fountain Hills.

Voting – The Town of Fountain Hills encourages its employees to participate in the election of government leaders. Therefore, if an employee does not have sufficient time outside their regular work hours to vote, adequate time off will be allowed at the beginning or end of the workday to exercise this right. If possible, employees should make their requests at least forty-eight (48) hours in advance of Election Day. The employee may wish to inquire of their Registrar of Voters about the possibility of voting by absentee ballot. Every effort should be made to vote either before or after the employee’s normal workday.

Bereavement Leave - The Town of Fountain Hills recognizes the need for time away from work in instances of personal loss. Should a death occur in the immediate family of any full-time or part-time regularly scheduled employee, he/she will be granted a paid leave of absence, not to exceed three (3) consecutive working days, as determined by their regular work schedule.

If employees need time in excess of three days, they may use accrued vacation, PTO, or personal leave time with the approval of their supervisor and the Human Resources Administrator.

Immediate family for the purpose of such leave is defined as spouses, children, stepchildren, grandchildren, parents, grandparents, siblings and in-laws.
Payment for bereavement leave is at the employee’s straight time rate of pay. Vacation days, PTO, or personal days may be granted to attend the funerals of other close relatives or friends upon approval by the employee’s supervisor. Time off without pay will only be considered if the employee does not have vacation, PTO, or personal days available.

To be eligible for the excused absence and pay provisions of this policy, employees are to request bereavement leave through their supervisor no later than the first scheduled workday following the death of an immediate family member.

The Town of Fountain Hills reserves the right to request all pertinent information including deceased relative’s name, the name and address of the funeral home, and the date of the funeral.

**Administrative Leave** - Such leaves with pay are granted by the Town Manager, or designee, in emergency conditions such as weather, fire, or flood; in a declared state of emergency or disaster; or for reasons, either collective or individually, deemed for the good of the Town as determined by the Town Manager.
EXHIBIT H
TO
RESOLUTION 2017-17

[Policy No. 912]

See following page
Town of Fountain Hills
Personnel Policies and Procedures

SECTION: FRINGE BENEFITS AND LEAVES
POLICY: LEAVES OF ABSENCE WITHOUT PAY
POLICY NO: 912
EFFECTIVE: October 7, 2004
REvised: August 1, 2013

PURPOSE: To establish the conditions under which Town employees may be granted leaves of absence without pay.

SCOPE: This policy applies to full-time Town employees in regular classified status.

PROCEDURE: Leaves of absence without pay for non-disability reasons will be considered first under the Family and Medical Leave Act (FMLA) Policy (Policy 915). Should the request for leave fail to meet the criteria specified under the FMLA policy, only then will a leave without pay be considered. Generally, a leave without pay shall not exceed two (2) calendar weeks. A longer leave of absence may be granted only under extreme circumstances. Requests for such leave must be made in writing to the employee's immediate supervisor. Requests for leave without pay will not be granted until the employee has exhausted available leave with pay to include vacation, PTO, sick leave, personal leave and FMLA leave. If the immediate supervisor approves the leave, approvals must also be obtained from the Department Head and Town Manager.

Leave of absence without pay may be granted for the following purposes:

1. Education
2. Travel
3. Care of a disabled person
4. Temporary employment by another public agency within the United States, its territories or possessions
5. Religious activities (non-compensated)

Employees on approved leave without pay may elect to continue group insurance coverage while on such leave. Employees on qualifying FMLA leave will continue to pay the employee's share of any health insurance premium. Employees on unpaid leave (but not FMLA) must bear the entire cost and remit both the employee and Town portions of the premiums to the Human Resources Department on a monthly basis. If such payments are not made in a timely manner, coverage will be terminated.

The Town is not obligated to hold the employee's position open while the employee is on leave without pay. However, should the leave without pay be granted under the FMLA policy, that policy will govern the employee's return to work. The position may be filled on a temporary or regular basis. An employee's right to return to a position, either covered or uncovered, in the Town from a leave without pay shall be conditioned on the availability of an appropriate position and sufficient funding.
EXHIBIT I
TO
RESOLUTION 2017-17

[Policy No. 1201]

See following pages
PURPOSE: To establish the employee discipline process.

PROCEDURES: Each employee shall be supervised by the individual to whom he/she is responsible in the organization. Each employee shall customarily be responsible to one immediate supervisor; however, when an employee divides responsibilities among two or more programs, the responsibilities for supervision and evaluation shall be furnished in writing to the employee.

The Town Manager has authority to take disciplinary action against any classified or unclassified employee. The Town Manager may delegate this authority to any management employee for subordinate employees.

Disciplinary actions shall be considered as constructive means of dealing with an employee’s unacceptable behavior or performance and should be appropriate to the seriousness of infractions or performance deficiency. Normally, with the exception of serious misconduct, the supervisor will counsel or give written warning to an employee and advise him/her about any aspects of work performance or conduct that need improvement and provide an opportunity for improvement. However, there is no right to progressive discipline. The seriousness of an offense may lead to any level of discipline up to dismissal. A combination of disciplinary actions may also be used.

Grounds for Disciplinary Action

Grounds for disciplinary action(s) include but are not limited to the following:

1. The employee fails to competently or efficiently perform assigned duties and responsibilities.

2. The employee is unsafe to himself/herself, other employees, the public, or Town property in the performance of duties or responsibilities; or the employee has violated safety rules or practices.

3. The employee has been abusive in attitude, language, behavior, or conduct toward a fellow employee, a supervisor, or the public; or their action has resulted in physical harm, injury, or fear of harm to such persons.

4. The employee has been insubordinate, willfully disobedient, or has failed to follow reasonable direction from a supervisor.

5. The employee has been convicted of a criminal offense while employed by the Town.

6. The employee has stolen public or private property, misappropriated Town funds, or has been an accomplice in any of these practices while employed by the Town.

7. The employee has made unauthorized use and/or removal of Town property.
8. The employee, through negligence or willful misconduct, has caused damage to public property or waste of public supplies.

9. The employee has engaged in conduct, on or off duty, that is of such a nature that it causes discredit to the Town.

10. The employee has purchased, possessed, used, manufactured, distributed, dispensed, or sold alcoholic beverages, unauthorized drugs or controlled substances, or any other intoxicants on Town property, while operating Town equipment, or while in the performance of Town duties unless authorized to do so; or the employee has reported to work under the influence of alcohol or drugs as defined in the Town of Fountain Hills Drug-Free Workplace Policy; or the employee’s off-duty use, possession, or sale of drugs or alcohol adversely affects work performance, safety, or the Town’s reputation.

Upon reasonable suspicion, an employee may be required to undergo an intoxilyzer, blood, breath, urinalysis, or any other appropriate test to detect and substantiate the presence of alcohol or drugs. Refusal to undergo the test when ordered or switching or adulterating test samples will constitute violation of #4 above. (See Drug-Free Workplace Policy.)

11. The employee has intentionally falsified any document, report or statement relating to their employment with the Town.

12. The employee has secured employment with the Town through misrepresentation or fraud.

13. The employee has refused to subscribe to any oath or affirmation required in connection with Town employment.

14. The employee has violated the rule or regulation governing outside employment (See Policy 209, Secondary Employment).

15. The employee has been inexcusably absent, has failed to receive prior approval for any paid or unpaid absence, has abandoned their position, feigns sickness or injury, or otherwise deceives a supervisor as to their condition or ability to perform the duties of the position, or the employee has falsified a certificate justifying medical leave.

16. The employee has had excessive absenteeism or tardiness.

17. The employee has refused to perform reasonable modified duty that is assigned because of an illness, injury or disability.

18. The employee has worked at outside employment while on medical leave, industrial accident leave, or Family and Medical Leave.

19. The employee has concealed information or failed to properly report an accident or incident under the purview of any state statute or Town resolution or regulation.

20. Failure of an employee convicted under a criminal drug statute for a violation occurring in the workplace to notify his/her Department Head within five (5) days after such a conviction.

21. The employee holds a Town of Fountain Hills elective office prior to resigning from a Town position or holding any other office incompatible with a position with the Town.
22. The employee has used or attempted to use political influence in securing a promotion, leave of absence, transfer, or an increase in pay.

23. The employee has accepted a fee, gift, or other item in the course of performing the duties and responsibilities of their position in violation of the conflict of interest rules.

24. The employee has committed an act of discrimination or harassment based on race, color, religion, sex, national origin, age, disability or any other category identified in the nondiscrimination policy.

25. The employee has failed to follow appropriate chain-of-command.

26. The employee has committed any other conduct of equal gravity to the reasons enumerated in this section.

TYPES OF DISCIPLINARY ACTIONS:

Counseling

Counseling is a private discussion between a supervisor and an employee concerning expectations of future conduct. The supervisor should keep notes regarding the discussion and the date, and the employee should be told that a record of the counseling session shall become part of the employee’s personnel record. Counseling is not discipline and is not subject to the appeal/grievance procedure.

Warning

A written warning may be given to an employee describing the performance or behavior which needs to be improved. The employee shall sign the statement and receive a copy. This warning shall become part of the employee’s personnel record.

Reprimand

When counseling or warning have not resulted in the correction of a situation, or when more severe initial action is warranted, the supervisor may issue a written reprimand stating the date of any prior discussion or warning, a description of the unacceptable behavior or performance, and possible consequences if behavior is not improved or corrected. The employee shall sign the statement and receive a copy. If the employee refuses to sign the statement, the supervisor shall sign the statement as such, and indicate the employee’s refusal to sign. The written reprimand shall become part of the employee’s personnel file.

Special Review Period

When performance or behavior warrant the action, a special review period may be established. The special review period may not exceed 90 calendar days. The supervisor shall prepare a written performance evaluation and memorandum outlining the improvement required, the time established for the period, and possible consequences if performance does not improve. Ten days before the end of the period, the supervisor shall submit a written performance evaluation and recommendation for the employee’s future status to the Human Resources Administrator, which shall become a part of the employee’s personnel record.

Demotion

An employee whose ability to perform the required duties falls below standard or who merits disciplinary action may be demoted upon approval of the Town Manager. Written notice shall be given to the employee within three days before the effective date of the demotion.
Suspension Without Pay: The Town Manager may suspend an employee from any position at any time without pay for a disciplinary purpose. A supervisor may recommend suspension of a subordinate employee to the Town Manager for his/her approval. No supervisor may suspend a subordinate for any period of time without the approval of the Town Manager. A suspended employee receives written notification on a “Record of Counseling/Disciplinary Action” form, or by separate letter which will be attached to the “Record of Counseling/Disciplinary Action” form, listing the specific charge(s), period of suspension, and administrative review and appeal rights, if any. The employee is given a copy of the written notification and the original is immediately forwarded to the Human Resources Office for inclusion in the personnel record.

Suspension of Exempt Employees: An exempt employee (those exempt from the provisions of the Fair Labor Standards Act) may not be suspended without pay for disciplinary sanctions for a period of less than one or more full days except for infractions of safety rules “of major significance.” Suspensions for exempt employees must occur within the same workweek. Safety rules of major significance are those (rules) and supervisory directives relating to the prevention of serious hazard, damage or danger to the Town, its facilities, employees or the public.

Administrative Leave With Pay: The Town Manager may place an employee on Administrative Leave With Pay at any time as a non-disciplinary measure to permit an investigation into matters concerning a possible disciplinary action. No supervisor may place a subordinate on administrative leave with pay for any period of time without the approval of the Town Manager. During this period, the employee is considered to be on full duty and available to participate and aid in the investigation. In making the determination to place an employee on administrative leave with pay, the following factors are considered:

A. Whether or not the employee’s presence on the job or at the work site would hinder the investigation,

OR

B. If the employee’s presence would be detrimental to the public interest or the continued efficient operation of the Town. The Town Manager must approve administrative leave.

An employee placed on Administrative Leave With Pay receives written notification on a “Record of Counseling/Disciplinary Action” form, or by separate letter which will be attached to the “Record of Counseling/Disciplinary Action” form, listing the nature of the investigation, period of leave, and administrative review and appeal rights, if any. The employee is provided a copy of the written notification and the original is immediately forwarded to the Human Resources Office for inclusion in the personnel record.

Dismissal

Employees may be dismissed with cause by the Town Manager by written notice which shall state the cause for dismissal, the effective date, and the employee’s appeal rights, if any. Only covered employees who have successfully completed the introductory period have appeal rights.

Due Process:

Prior to an involuntary termination, a non-introductory period employee will be provided with a written notice from his or her supervisor of the intent to terminate with the supporting reasons. The employee shall be given an opportunity to respond to the charge, orally or in writing to his or her supervisor, as to why the proposed action should not be taken.

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The department’s explanation in the notice shall be sufficient to apprise the employee of the basis for the proposed action. This shall not limit the employer at subsequent proceedings from presenting a more detailed and complete case. If, after considering the employee’s evidence, the Town proceeds with termination, the employee may appeal in writing within ten (10) calendar days of the decision. Human Resources will then set an administrative hearing to adjudicate the appeal. The employee may have legal counsel present at the hearing.

In cases involving an employee who works under the direction of the Town Manager, the hearing officer shall be the Presiding Judge. In cases involving an employee who works under the control of the Presiding Judge, the hearing officer shall be the Town Manager. The Town Manager or the Presiding Judge may appoint another manager or Judge from another Arizona city or town to serve as the hearing officer in their place if they so choose. The hearing officer shall, no later than five (5) calendar days after the conclusion of the hearing, deliver a written opinion which shall contain three (3) basis elements:

1. A statement of relevant facts
2. A statement of applicable rules
3. Conclusions/recommendations

The written opinion shall be delivered to the affected employee, his/her supervisor and/or department director, the Town manager in cases where the Presiding Judge has served as hearing officer, and the Presiding Judge in cases where the Town Manager has served as hearing officer. A copy of the opinion shall also be placed in the employee’s personnel file.

Within five (5) calendar days after the receipt of the written opinion of the hearing officer, the appointing authority (either the Presiding Judge or the Town manager) shall either affirm or reject the determination of the hearing officer. The decision of the appointing authority shall be final and binding upon both the employee and the Town, and therefore, not appealable to any office or body of the Town or to any other forum, administrative or judicial.
EXHIBIT J
TO
RESOLUTION 2017-17

[Policy No. 920]

See following pages
Town of Fountain Hills
Personnel Policies and Procedures

SECTION: FRINGE BENEFITS AND LEAVES
POLICY: PAID SICK TIME – PART-TIME NON-REGULARLY-SCHEDULED, TEMPORARY, SEASONAL, AND OTHER EMPLOYEES
POLICY NO: 920
EFFECTIVE: July 1, 2017
REVISED: June 15, 2017

PURPOSE: To establish the means by which Town of Fountain Hills part-time non-regularly scheduled, temporary, seasonal, and other employees may earn and use paid sick time.

STATEMENT OF POLICY: Paid sick time is a form of sick leave and part of the integrated program of benefits for Town employees. Such leave is intended for use only under specific conditions as set forth in this policy.

SCOPE: All part-time non-regularly-scheduled, temporary, or seasonal, and other Town employees are eligible to earn paid sick time for hours worked.

PROCEDURE: Upon hire, all part-time non-regularly scheduled, temporary, seasonal, and other Town employees will begin to accrue sick leave at a rate of one (1) hour of sick leave for every thirty (30) hours worked.

Up to forty (40) hours of accrued and unused sick leave may be carried over. The Town limits use and accrual of sick leave under this policy to forty (40) hours per calendar year.

Use of sick leave is permitted during the initial introductory employment period with the Town.

Sick leave may be used for any of the following reasons:
- An employee’s mental or physical illness, injury or health condition; an employee’s need for medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; an employee’s need for preventive medical care.
- Care of a family member with a mental or physical illness, injury or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; care of a family member who needs preventive care.
- Closure of the employee’s place of business by order of a public health official or need to care for a child whose school or place of care has been closed by order of a public health official.
- Care for oneself or family member when it has been determined by health authorities or a health care provider that the employee’s or family member’s presence in the community may jeopardize the health of others because of their exposure to a communicable disease.
- Absence due to domestic violence, sexual violence, abuse or stalking, provided the leave is to allow the employee to obtain for the employee or the employee’s family member:
  - Medical attention needed to recover from injury or disability caused by domestic violence, sexual violence, abuse or stalking
  - Services from a domestic or sexual violence program or victim services organization
  - Psychological or other counseling
  - Relocation or taking steps to secure an existing home due to the domestic violence, sexual violence, abuse or stalking; or
  - Legal services related to the domestic violence, sexual violence, abuse or stalking.

The term “family member” means the following for purposes of this policy:
- Biological, adopted or foster child, stepchild or legal ward, a child of domestic partner, a child to whom the employee stands in loco parentis, or an individual to whom the employee stood in loco parentis when the individual was a minor.
- Biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee’s spouse or domestic partner or a person who stood in loco parentis when the employee or employee’s spouse or domestic partner was a minor child.
- Spouse or a registered domestic partner
- Grandparent, grandchild or sibling (whether biological, foster, adoptive or step) of the employee or the employee’s spouse or domestic partner, or
- Any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

For earned paid sick time of three or more consecutive work days, the employee may be required to submit reasonable documentation that the earned paid sick time has been used for a purpose covered in this policy. Documentation signed by a healthcare professional indicating that earned paid sick time is necessary shall be considered reasonable documentation. In cases of domestic violence, sexual violence, abuse or stalking, documentation set out in A.R.S. § 23-373(G) shall be sufficient.

Any employee who abuses sick leave will be subject to disciplinary action. Events that may lead to disciplinary action include, but are not limited to, falsifying illness or reasons for using leave, unsubstantiated excessive use (three (3) or more consecutive absences without appropriate documentation) and a failure to comply with the authorization requirements above.

Employees will be permitted to use sick leave in incremented units of one-half (1/2) hour or more, in any one day. Sick leave shall not be advanced to an employee nor may sick time be transferred between employees.

The Town may require that accrued and unused sick leave under this policy be used concurrently with leave taken under other applicable leave policies, including leave taken under the Family and...
Medical Leave Act (FMLA). Sick leave hours will not count toward hours worked for purposes of computing overtime.

Paid sick leave accrued under this Policy will not be paid out at separation from employment.

If an employee separates from employment with the Town and is rehired within nine (9) months, that employee’s previously accrued and unused sick leave will be reinstated and will be available for immediate use.

Employees who are denied needed sick leave for one of the purposes listed in this Policy should contact Human Resources for an individualized review.